

# **DHB ADMINISTRATIVE LETTER NO: 03-21, MEDICAID/NCHC PROCEDURES FOR COVID-19 – UNEMPLOYMENT INCOME, STIMULUS FUNDS/TRANSFER OF ASSETS**

**DATE:** June 1, 2021

**SUBJECT:** Medicaid/NCHC Procedures Due to COVID-19  
Public Health Emergency –

- Unemployment Income
- COVID-19 Stimulus Funds/Transfer of Assets

**DISTRIBUTION:** County Departments of Social Services  
Medicaid Supervisors  
Medicaid Eligibility Staff

## **I. BACKGROUND**

On March 13, 2020, the President issued a proclamation declaring a national emergency concerning the Coronavirus Disease outbreak (COVID-19).

The purpose of this letter is to provide instructions for the following situations:

- Mixed Earner Unemployment Compensation (MEUC)
- Federal Pandemic Unemployment Compensation
- COVID-19 stimulus funds and transfer of assets

## **II. PROCEDURES**

### **A. Mixed Earner Unemployment Compensation**

There are several types of pandemic related UIB benefits. See [Dear County Director Letter \(DCDL\) Pandemic Unemployment Compensation](#), dated July 14, 2020.

The only types of pandemic related UIB that are **non**-countable for Medicaid are Federal Pandemic Unemployment Compensation (FPUC) and Lost Wages Assistance (LWA). Regardless of the amount of these two types of UIB, they are non-countable.

Beginning December 27, 2020, a new type of UIB has been added. Per guidance received from Centers for Medicare and Medicaid Services (CMS), the new UIB type, Mixed Earner Unemployment Compensation (MEUC), is a **countable** source of income for all Medicaid and NC Health Choice eligibility determinations.

NC FAST and the Department of Employment Services (DES) previously established the coding system below, to identify the different unemployment compensation types.

<u>Income Code &amp; Type</u>	<u>Countable for Medicaid and NC Health Choice</u>
0-State Unemployment Insurance Benefits (UI)	Yes
1-Extended (EB)	Yes
3-Pandemic Unemployment Assistance (PUA)	Yes
4-Pandemic Emergency Unemployment Compensation (PEUC)	Yes
5-Lost Wages Assistance (LWA)	No
6-Mixed Earner Unemployment Compensation (MEUC)	Yes
9-Federal Pandemic Unemployment Compensation (FPUC)	No
Increased Benefit Amount (IBA)	Yes
<i>No # code – ‘Regular UIB’</i>	

## B. COVID-19 Stimulus Funds and Transfer of Assets

CMS has provided further guidance in regard to evaluating for transfer of assets for applicants/beneficiaries in applicable Medicaid programs. (See MA-[2240](#), Transfer of Assets, to determine who should be evaluated for transfers.)

As noted in [DHB Administrative Letter 07-20](#), CMS has issued guidance that “stimulus” funds (also called recovery rebates or economic impact payments) received by a Medicaid applicant/beneficiary are considered non-countable income. Additionally, these funds are excluded from resource calculations for 12-months after receipt of the funds. Any amount remaining after 12-months is countable as a resource for the applicable program.

CMS has clarified that in addition to being non-countable income and resources (for 12-months), these funds should **not** be included in transfer of assets evaluations if the transfer occurred during the 12-month period in which the funds were excluded for resource calculations. This includes all current and future applications and/or change of circumstances in which the receipt of these funds and exclusion period are within the look back period. Transfers made **after** the 12-month exclusion period should be evaluated following Medicaid policy found in MA-[2240](#), Transfer of Assets.

## III. IMPLEMENTATION

These policies and procedures are effective immediately for applications and recertifications. This also includes applications or recertifications currently in process. Counties will be notified of any changes or revisions to the above guidance.

If you have any questions regarding this information, please contact your [Medicaid Operational Support Team representative](#).

DocuSigned by:  
*Dave Richard*

11395D232A054A2...  
Dave Richard

Deputy Secretary, NC Medicaid