

**NUMBER**

21-21-02

**DATE**

April 5, 2021

**OF INTEREST TO**

County Directors

Social Services Supervisors and  
Staff

Financial Assistance Supervisors  
and Staff

Mille Lacs Tribal TANF

Tribal Chairpersons and Tribal  
Health Directors

Health Care Eligibility  
Operations (HCEO) Managers,  
Supervisors, and Staff

**ACTION/DUE DATE**

Implement effective  
March 11, 2021

**EXPIRATION DATE**

April 5, 2023

## DHS Explains Treatment of Coronavirus Response Payments under the American Rescue Plan Act of 2021, for MHCP

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### TOPIC

How to treat coronavirus stimulus and relief payments under the American Rescue Plan Act of 2021, including additional Federal Pandemic Unemployment Compensation and recovery rebate payments, for Minnesota Health Care Programs (MHCP).

### PURPOSE

This bulletin provides information about the treatment of coronavirus stimulus and relief payments issued under the American Rescue Plan Act of 2021, when determining eligibility for MHCP.

### CONTACT

Counties, tribal agencies and HCEO should submit policy questions via HealthQuest.

All others should direct questions to the following:

Health Care Eligibility and Access (HCEA) Division  
PO Box 64989  
540 Cedar Street St. Paul, MN 55164-0989

### SIGNED

MATT ANDERSON  
Assistant Commissioner/State Medicaid Director  
Health Care Administration

### TERMINOLOGY NOTICE

The terminology used to describe people we serve has changed over time. The Minnesota Department of Human Services (DHS) supports the use of "People First" language.

## I. Background

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In March 2021, Congress passed a new coronavirus stimulus and relief package as part of the American Rescue Plan Act of 2021 (ARPA). The ARPA provides financial aid to individuals and families impacted by the COVID-19 pandemic by extending unemployment relief available through Federal Pandemic Unemployment Compensation (FPUC) payments, and providing further recovery rebate payments in addition to those previously issued under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Consolidated Appropriations Act, 2021 (CAA).

This bulletin describes how the additional FPUC and recovery rebate payments are treated for purposes of determining eligibility for Medical Assistance (MA) and MinnesotaCare applicants and enrollees. These policies are effective March 11, 2021.

The policies in this bulletin apply to all MinnesotaCare populations and all of the following MA populations and programs:

- Medical Assistance for Families with Children and Adults (MA-FCA)
- Medical Assistance for People Age 65 and Older, Blind or Disabled (MA-ABD)
- Medical Assistance for Employed Persons with Disabilities (MA-EPD)
- Medical Assistance under the TEFRA Option
- Medical Assistance Northstar Care for Children
- Medical Assistance for the Treatment of Breast and Cervical Cancer (MA-BC)
- Medical Assistance for People Receiving Services at the Center for Victims of Torture (MA-CVT)
- Medicare Savings Programs (MSP): Qualified Medicare Beneficiaries (QMB), Service Limited Medicare Beneficiaries (SLMB), Qualified Individuals (QI) and Qualified Working Disabled (QWD)
- Emergency Medical Assistance (EMA)
- Minnesota Family Planning Program (MFPP)

## II. Federal Pandemic Unemployment Compensation Payments

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FPUC payments were previously addressed in bulletins [#20-21-05](#) and [#20-21-14](#). The Coronavirus Aid, Relief, and Economic Security (CARES) Act provided financial aid to individuals and families impacted by the COVID-19 pandemic by temporarily supplementing unemployment insurance (UI) benefit amounts and extending the duration of those benefits. From March 27, 2020, through July 31, 2020, UI claimants received their usual calculated benefit plus an additional \$600 per week in FPUC payments. The Consolidated Appropriations Act, 2021 (CAA) made FPUC payments of \$300 per week available from December 27, 2020, to March 14, 2021.

The American Rescue Plan Act (ARPA) removes the March 14, 2021, expiration date and makes \$300 weekly FPUC payments available through September 6, 2021. Treat the extended FPUC payments the same as previous FPUC payments when determining eligibility for MA and MinnesotaCare.

For MA applicants and enrollees, do not count FPUC payments as income. Continue to count regular UI benefits as income for MA.

For MA applicants and enrollees with an asset limit, count FPUC payments and regular UI payments retained

after the month of receipt as an asset.

For MinnesotaCare applicants and enrollees, count FPUC payments and regular UI benefits in a person's projected annual income (PAI).

### III. Recovery Rebate Payments

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Recovery rebate payments were previously addressed in bulletins [#20-21-04](#) and [#20-21-14](#). In early 2020, the Internal Revenue Service (IRS) issued Federal CARES Act payments of up to \$1,200 for individuals, \$2,400 for married couples and \$500 per dependent child under 17 years old. In late 2020, the CAA authorized additional recovery rebate payments of up to \$600 for individuals, \$1,200 for married couples and \$600 per dependent child under 17 years old.

In March 2021, the ARPA authorized a third recovery rebate payment of up to \$1,400 for individuals, \$2,800 for married couples and \$1,400 per dependent of any age. Treat the new payments the same as the previous recovery rebate payments when determining eligibility for MA and MinnesotaCare.

For MA applicants and enrollees, do not count APRA recovery rebate payments as income.

For MA for Families and Children and Adults (MA-FCA) applicants and enrollees who have a spenddown and are subject to an asset test, exclude ARPA recovery rebate payments as an asset. There is no time limit for this asset exclusion.

For MA for a person who is age 65 or older, blind or has a disability (MA-ABD) and Medicare Savings Program (MSP) applicants and enrollees who have an asset test, exclude ARPA recovery rebate payments as an asset for 12 months after the month of receipt.

For MinnesotaCare applicants and enrollees, do not count ARPA recovery rebate payments in a person's PAI.

### IV. Action Required

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County, tribal and DHS workers must follow the policies outlined in this bulletin. We will publish procedures associated with the policies in this bulletin in ONEsource.

In keeping with Emergency Executive Order 20-12, DHS is maintaining coverage for MA and MinnesotaCare enrollees for the duration of the COVID-19 public health emergency. Therefore, for individuals who were enrolled in MA or MinnesotaCare on or after March 18, 2020, do not take negative action on a case unless the enrollee can be closed for a reason permitted under the temporary COVID-19 emergency policies. See bulletins [#20-21-02](#), [#20-21-10](#), and [#20-21-13](#) for more information.

## V. Legal References

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Coronavirus Aid, Relief, and Economic Security Act (Public Law Number 116-136)

Consolidated Appropriations Act, 2021 (Public Law Number 116-260)

American Rescue Plan Act of 2021 (Public Law Number 117-2)

### **Americans with Disabilities Act (ADA) Advisory**

This information is available in accessible formats for people with disabilities by calling 651-297-3862 or toll free at 800-657-3672, or by using your preferred relay service. For other information on disability rights and protections, contact the agency's ADA coordinator.