



## COVID-19 and Social Insurance and Benefit Programs

Updated April 27, 2020—With the ongoing impact of COVID-19 still not fully understood by the community at large, individuals with disabilities who regularly access a series of public benefits are left with a variety of questions about the impact of the various federal and state legislative and administrative actions on these benefits. Key language in the Coronavirus Aid, Relief, and Economic Security (CARES) Act serves as a guidepost from which the impact on benefits can be better understood.

***Notwithstanding any other provision of law, any refund (or advance payment with respect to a refundable credit) made to any individual under this title shall not be taken into account as income, and shall not be taken into account as resources for a period of 12 months from receipt, for purposes of determining the eligibility of such individual (or any other individual) for benefits or assistance (or the amount or extent of benefits or assistance) under any Federal program or under any State or local program financed in whole or in part with Federal funds. 26 U.S. Code § 6409***

### Supplemental Security Income (SSI)

Individuals who are receiving SSI need to be aware of several key elements related to the stimulus payment:

- Stimulus payments are NOT taxable.
- Stimulus payments received by the individual that are initiated through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) will not count as income in the calculation of the individual's SSI amount for that month (26 U.S. Code § 6409).
- Stimulus payments will not be counted as "resources" for a 12-month period following the receipt of the funds (26 U.S. Code § 6409).

#### **I am not typically required to file a tax return. Can I still receive my payment?**

Yes! Arrangements have been made for the stimulus payment to be paid directly to SSI recipients. We know that those SSI recipients who have bank direct-deposit information on file with SSA or who receive their benefits via a Direct Express card will receive their stimulus payment as a direct deposit to their bank account or Direct Express card. Stimulus payments should be received as early as May.

Those SSI recipients who do have dependents; or do not receive payments via direct deposit, Direct Express, or paper check; or do not regularly file taxes should [use the IRS non-filer link](#) (also shown below this paragraph) to let the IRS know of your dependents so that the proper stimulus payment can be processed. The deadline to take this action is mid-May: no firm date has been set by SSA.

<https://www.irs.gov/coronavirus/economic-impact-payments>



### **Who is your dependent?**

Not all dependents, as that term is generally used, will receive a \$500 stimulus “bump.”

In order for the parent(s) of the “dependent” to receive a check, the government has used a mix of the “qualifying child” and “Child Tax Credit” rules. As a result, a dependent for stimulus payment purposes must be all the following:

- Someone who you have claimed on your tax return or \$0 non-filer form
- Under the age of 17 and attending school
- Related to you by blood, marriage or adoption
- Someone who cannot provide more than half of their own financial support during the tax year
- A U.S. citizen, U.S. national, or U.S. resident alien
- Has lived with you for more than half of the year

In short, those people who are age 17–24 are NOT eligible for a dependent \$500 “bump.” They may be eligible for their own stimulus payment if they are not claimed as a dependent for tax purposes by anyone and have worked and filed taxes in 2018 or 2019, or they [use the non-filer IRS link](#).

### **Stimulus payment intercepts**

We have been made aware that the banks are intercepting stimulus payments for those individuals who have defaulted on or have late private student loans, or who have overdue credit card payments or overdrawn bank accounts. Most recently, we have been informed that nursing homes have intercepted stimulus payments for Medicaid residents, claiming that these payments should be kept as cost of care.

If either event occurs, please contact your State Consumer Affairs Office, Elder Affairs Office, or your local legal services agencies for assistance. Some states will prevent banks from intercepting stimulus payments and Elder Affairs may intercede with nursing home intercepts. The CARES Act does not support any of these intercepts.

The National Consumer Law Center has prepared an excellent paper on the intercept issue. It can be found at <https://library.nclc.org/protecting-against-creditor-seizure-stimulus-checks>.

### **Social Security Disability Insurance (SSDI), Disabled Widow(er) Benefits (DWB), Childhood Disability Benefits (CDB)**

The stimulus payment will have no impact on any of these Title II benefits: SSDI, DWB, CDB, and SSA Retirement. These benefits are classified as insurance benefits and are NOT impacted by unearned income. In addition, the stimulus payments will NOT be taxable.

Please note that Title II benefits are SSA benefits. SSI benefits are federal welfare benefits. At any time when the CARES Act refers to “Social Security Benefits,” “SSI” is not included unless specifically stated by the statute.



If an SSDI recipient has dependents and has not filed taxes in 2018 and 2019, the recipient must use the IRS non-filer tax link to claim dependents' stimulus checks. A date of April 22, 2020 was set as the filing deadline for this purpose; however, filing the claim for dependent's checks can be made but will not be paid until after the July 15, 2020 federal tax filing deadline or during the 2021 tax filing season.

## Supplemental Nutrition Assistance Program (SNAP)

There is no impact on SNAP benefits due to the receipt of a stimulus payment in accordance with 26 U.S. Code § 6409.

## Housing and Urban Development (HUD)

There is no impact on HUD rent subsidies due to the receipt of the stimulus funds. Further, HUD housing does not consider an individual's resources. Only the income produced by the resource, bank interest, is considered by HUD. ***\*Please check your state rules concerning state public housing in which an individual may be living.***

HUD has also extended a "tailored set of mortgage payment relief options for single family homeowners with FHA-insured mortgages." "Effective immediately for borrowers with a financial hardship that makes them unable to pay their mortgage due to the COVID-19 National Emergency, mortgage servicers must extend deferred or reduced mortgage payment options—called forbearance—for up to six months, and must provide an additional six months of forbearance if requested by the borrower"<sup>1</sup>.

## Medicaid

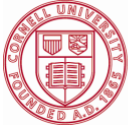
In all states that have accepted the [Federal Medical Assistance Percentage \(FMAP\)](#) 6.2% increase from the federal government (only NYS is in question but has issued a state directive not to terminate Medicaid benefits during the crisis), Medicaid recipients who received benefits before the COVID-19 crisis, or become eligible during the crisis cannot be terminated from Medicaid. On a case by case basis, states may change the category or eligibility, e.g., from regular Medicaid to 1619(b) or Medicaid Buy-In for Working People with Disabilities (MBI-WPD), but terminations of coverage will not be allowed.

## Medicare

The stimulus payment will have no impact on Medicare premiums or eligibility. Medicare Savings Plans (MSPs), those programs that see Medicaid paying all or part of Medicare premiums for Parts B and D, and in some cases co-pays and deductibles, will also not be impacted by the stimulus payments in accordance with above language (26 U.S. Code § 6409).

---

<sup>1</sup> U.S. Department of Housing and Urban Development. (2020, April 1). [HUD issues new CARES act mortgage payment relief for FHA single family homeowners](#). *HUD.gov Press Releases*.



## Temporary Assistance for Needy Families (TANF)

In accordance with the language in 26 U.S. Code § 6409, the stimulus payment will have no impact on [TANF eligibility](#) or resource levels for a 12 month period from receipt of the funds.

## Veterans Affairs (VA) Pension

In accordance with the language in 26 U.S. Code § 6409, the stimulus payment will have no impact on VA Pension eligibility or resource levels for a 12-month period from receipt of the funds.

As with other traditional non-filers, VA Pensioners must use the non-filer IRS site to claim an individual or dependent stimulus payment.

## Unemployment Insurance (UI)

Each state is responsible for establishing its own UI benefits eligibility. In general, you qualify when you:

- Are unemployed through no fault of your own. In most states, this means you have separated from your last job due to a lack of available work.
- Meet work and wage requirements. You must meet your state's requirements for wages earned or time worked during an established period referred to as a "base period." In most states, this is usually the first four out of the last five completed calendar quarters before the time that your claim is filed.
- Are a self-employed individual or 'gig' worker, like Uber and Lyft drivers, under the CARES Act provisions, and you meet your state's other UI criteria.
- Meet any additional state requirements. Find details of your [own state's program](#).<sup>2</sup>

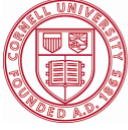
### COVID-19 related 'good cause' reasons for stopping work

The new law means you may qualify for Unemployment Insurance if you are not working because:

- You were diagnosed with COVID-19 or you have symptoms.
- A member of your household was diagnosed with COVID-19.
- You are caring for a family or household member who tested positive or was diagnosed with COVID-19.
- You have primary responsibility for a child whose school or childcare is closed and you need to care for them.
- You have primary responsibility for a member of your household who needs care.

---

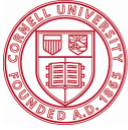
<sup>2</sup> U.S. Department of Labor. (2020, April 2). [How do I file for unemployment insurance?](#)



- Your employer or a government order told you to “self-quarantine.”
- You have been advised by a health care provider to self-quarantine.
- Your immune system is compromised due to a serious health condition.
- You have a reasonable belief that because of COVID-19 going to work could harm your health.
- You were scheduled to start work but you no longer have that job or you cannot go to work due to COVID-19.
- The head of your household died from the coronavirus so now the whole household depends on you for support.
- Your place of work closed or reduced your hours because of COVID-19.
- You had to quit your job because you tested positive for COVID-19 or you came into contact with someone who tested positive.

#### **Important UI facts**

- UI has been extended beyond the “normal” 26 weeks to 39 weeks (Pandemic Emergency Unemployment Assistance (PAC)). This extension will end December 31, 2020, regardless of the number of weeks over your state’s maximum that have been received. For example, if you have received 26 state weeks and are receiving your 4<sup>th</sup> federal extension week UI payment in the last week of December 2020, this will be your last payment.
  - Most states provide 26 weeks of UI. Massachusetts residents will receive 43 weeks as the Commonwealth provides 30 weeks of UI in normal circumstances. Check your state’s UI website for information concerning the number of weeks generally paid by your state.
  - If your state pays other than 26 weeks in normal circumstances, simply add 13 weeks to the number of state weeks of payment
- The CARES Act will provide UI benefits for self-employed individuals and “gig” workers such as UBER or LYFT drivers (Pandemic Unemployment Assistance).
- The federal government will also add \$600 per week to the maximum state UI benefit paid for 4 months until July 31, 2020 (Pandemic Unemployment Compensation). Thus, if your state maximum payment is \$450 per week, the weekly check will be \$1,045. There appears to be no variation in payment for those not receiving the maximum in your states so we must assume, until we receive other information that the \$600 per week will be added to all UI amounts paid by the state.
- For workers with disabilities that will have to meet your state “base rate” (meaning that they have to have worked long enough and earned enough to be eligible for UI) see your [state’s UI website](#) for information concerning your state’s “base rate” requirements. Many state websites also have calculators to estimate payments.



- Self-employed and gig workers do not need to meet the state “base rate” in order to receive UI. Their benefits levels will be determined based upon last year’s tax filing.

### Important UI and SSI Facts

- SSI recipients are required to apply for any other benefit they may be eligible to receive when told of potential eligibility. The SSA Program Operations Manual System (POMS) states:
  - ✓ *SSA advises him/her, on a written, dated notice, of potential eligibility for other benefits; and*
  - ✓ *He/she does not take all appropriate steps to file for and, if eligible, obtain any such payments within 30 days of receipt of such notice.*
- For those SSI recipients that meet your state’s UI “base period,” the potential of receiving \$2,400 plus the state U/I benefit exists. SSI recipients could receive much more through the UI program than through the SSI program. Thus, they should be encouraged to apply ASAP for UI, as long as you have determined that they will be eligible for UI. Given that the maximum period of receipt of UI in any state is 43 weeks, SSI recipients will still be suspended when UI ends. Please note:
  - At the conclusion of the UI, the recipient MUST call SSA to have the SSI reinstated.
  - Any EXCESS resources held at the time reinstatement is requested will count toward the resource limit.
  - Achieving a Better Life Experience (ABLE) accounts or other protected savings mechanisms could be considered, if eligible, to ensure SSI resource rules are met.

### Important UI and other benefits facts

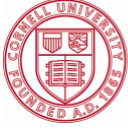
UI is unearned income and may impact monthly SNAP awards, TANF awards, and VA Pension awards. Please ensure that before a UI application is filed, the math makes sense and all lost benefits will be accommodated by the state UI payment and the \$600 weekly federal payment. When the federal payment stops on July 31, 2020, be sure to report the loss of income to the administering agency for each benefit lost or reduced to allow that agency to increase the benefit payable.

Lastly, HUD has issued a directive that UI benefits (issued by the state but not including the \$600 PUC kicker) will be considered as income for rent subsidy purposes. See [https://www.hud.gov/sites/dfiles/Housing/documents/HUD\\_Multifamily\\_Corona\\_QA\\_FINAL.pdf](https://www.hud.gov/sites/dfiles/Housing/documents/HUD_Multifamily_Corona_QA_FINAL.pdf)

## Medical Help for the Uninsured

The Secretary of Health and Human Services (HHS) announced on April 5, 2020, that money from the CARES Act would be set aside to meet the COVID-19 related medical expenses of the uninsured.

How will this work? Any medical provider/hospital accepting Medicare can agree to provide services to any uninsured person and will receive the Medicare rate of payment. However, the provider/hospital must agree NOT to bill the uninsured person for any remaining expenses.



Cornell University  
ILR School

K. Lisa Yang and Hock E. Tan  
Institute on Employment and Disability

## Contracts for Coronavirus Relief Efforts

Federal contracts directly related to COVID-19 relief efforts will not be required to meet the DOL requirement that sets a goal for employment of “qualified individuals with disabilities” for a period of 3 months from March 17, 2020, to July 17, 2020.

### Work Incentive Practitioner Credential Program

Learn to guide individuals with disabilities to return to work  
as you earn a WIP-C™ credential!

Cornell University’s Yang-Tan Institute (YTI) offers the Work Incentive Practitioner Credential webinar series 3 times per year. You’ll join instructors Raymond Cebula and Edwin Lopez for 17 sessions to earn your WIP-C™ credential. Or, you can join for just one session or just one of the three parts.

#### **Part 1: Social Security Disability Insurance and Supplemental Security Income and Work**

*Explore the principal benefits provided by the Social Security Administration (SSA), as well as related work incentives.*

#### **Part 2: The Effect of Work on Other Federal Programs**

*Review federal programs providing benefits to individuals with disabilities, including TANF, Workers Compensation, and Veterans Benefits. Plus learn how each relates to the others and is impacted by earned income.*

#### **Part 3: The Ins and Outs of Being a Benefits Practitioner**

*Gain insight into how this complex mix of work incentives, critically needed benefits, and earnings can be explained to an individual with a disability to encourage both work and financial independence.*

For more information or to sign up for the course, visit <https://www.ytionline.org/courses> or send email to [ams834@cornell.edu](mailto:ams834@cornell.edu).