

TO: Local District Commissioners, Temporary Assistance Directors, Medicaid Directors, and Legal Staff

FROM: Judith Arnold
Director, Division of Coverage and Enrollment

SUBJECT: Automated Disregard of Additional Unemployment Benefits (UIB)

EFFECTIVE DATE: March 1, 2009

CONTACT PERSON: Local District Liaison
Upstate: 518-474-8887 NYC: 212-417-4500

On February 17, 2009, President Obama signed The American Recovery and Reinvestment Act (ARRA) of 2009 "Stimulus Bill", Public Law 111-5. Section 2002 of the ARRA authorized additional Unemployment Insurance Benefits (UIB) payments of \$25.00 per week, effective March 1, 2009.

This GIS message advises local departments of social services (LDSS) of the Medicaid treatment of the additional UIB payments which will be distributed to all UIB recipients. This GIS supersedes earlier e-mailed instructions.

The additional payment of \$25.00 per week is to be **disregarded** when determining retroactive, initial, and ongoing eligibility for all Medicaid applicants/recipients (A/Rs) receiving UIB.

The first additional UIB benefit payments were issued March 25, 2009. The March 25 payment was a retroactive benefit for weeks ending March 1, 8, 15 and 22. Beneficiaries received \$25 for each of these weeks. Persons in receipt of UIB for all four weeks received \$100, which is to be disregarded for all Medicaid categories, and Family Health Plus. Individuals in receipt of UIB benefits for three, two or one of these weeks received the corresponding \$75, \$50, or \$25 retroactive payments.

The regular recurring additional \$25 UIB payments began the week of March 29, 2009. The UIB Benefit Control Record, which workers can access, shows the ARRA payment.

No additional action is necessary on the part of the UIB recipient in order to receive these payments. The last week for which additional payments can be made is the week ending July 3, 2010.

Medicaid Budgeting Logic (MBL) changes are being developed to automatically deduct this additional \$25 from the total amount of the weekly UIB payment. **Until system support is available to make the automatic deduction of this \$25 weekly payment, please follow the instructions for manual budgeting below:**

LDSS Workers must enter the total amount of weekly UIB payments received minus the additional \$25 amount in MBL with an unearned income source code of 49-UIB for all budget types, including Family Health Plus budgets. For example, for a weekly UIB payment of \$250, \$225 is entered in the MBL budget. This is an off-line calculation that must be recorded on the budget worksheet and case record notes. This will help any LDSS worker who subsequently works on the case to understand what changes were made to the budget for the interim period prior to the MBL system changes.

LDSS Workers are reminded that if the frequency that UIB is received is other than weekly, a corresponding adjustment to the amount of the disregard will be necessary. For example, if monthly is used as the frequency, the disregarded amount will be $\$25 \times 4.333333$ (108.33), and for bi-weekly frequency the disregard will be $\$25 \times 2.166666$ (54.17), not \$25.

The MBL authorization "from" dates for these cases must not be earlier than 3/1/2009, and the "to" dates must not be greater than 7/31/2010.

These interim procedures are necessary until MBL systems changes are completed to automatically deduct the additional \$25 amount from the total UIB weekly payments. The proposed production date for this MBL automatic deduction is April 27, 2009.

After systems changes are implemented to automatically deduct the additional \$25 per week payments, LDSS workers must take the following actions on any case involving UIB payments for which they are storing a new or revised budget.

- Enter the current total gross amount of UIB unearned income using code 49-UIB
- For budgets that were stored based on previous instructions where the exemption code of 20 was used, delete the exemption code 20, and the dollar amount that was disregarded and displayed in that field.
- Mass re-budgeting of all cases that have code 20 exemptions is not necessary. Each case will be changed the next time a new/revised budget is required, including regular undercare changes or recertification, whichever occurs first.

Please direct any questions to your Local District Liaison at 518-474-8887 Upstate and 212-417-4500 for NYC.