

Important information about countable income when helping Californians enroll in programs providing financial help for health insurance coverage.

**On March 27, 2020, the federal government enacted the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which approved two forms of stimulus payments to ease the financial hardship Americans are experiencing during the Coronavirus (COVID-19) pandemic. These payments began to be disbursed in April 2020. This document addresses questions related to the CARES Act payments.**

**1. What are the two types of payments being made to individuals and households?**

There are two types of payments although not all individuals or households will receive them.

- (1) **Extra \$600 per week unemployment insurance (UI) payment called Pandemic Unemployment Compensation or PUC.** This payment is automatically added to the base unemployment insurance benefit and will be included in recipients' checks between March 29, 2020 and July 25, 2020.
- (2) **Tax credits or Stimulus Payments** of up to \$1,200 per eligible individual, up to \$2,400 per eligible married couple filing a joint return, plus \$500 per each qualifying dependent child. Recipients will receive these benefits by direct deposit or paper check.

**2. Will the tax credits or Stimulus Payments be considered countable income for purposes of determining eligibility for the financial help and premium assistance available through Covered California?**

**No**, the tax credits or **Stimulus Payments** are not included in the recipient's income for purposes of eligibility for any financial help available through Covered California (APTC, CSR, and state subsidy).

**3. Will the tax credits or Stimulus Payments be considered countable income for purposes of determining Medi-Cal or CHIP eligibility?**

**No**, the tax credits are not included in the recipient's income for purposes of eligibility determination for Medi-Cal and CHIP (C-CHIP and MCAP).

4. Will the extra \$600 per week **Pandemic Unemployment Compensation (PUC) payments** be considered countable income for purposes of determining eligibility for financial help and premium assistance available through Covered California?

Yes, all unemployment benefits (including the extra \$600 per week **PUC payment**) are included in the recipient's income for purposes of eligibility for financial help available through Covered California (APTC, CSR, and state subsidy).

5. Will the extra \$600 per week **Pandemic Unemployment Compensation (PUC) payments** be considered countable income for purposes of determining Medi-Cal and CHIP eligibility?

**No**, the extra weekly \$600 **PUC payments** are not included in the recipient's income for purposes of eligibility determination for Medi-Cal and CHIP (C-CHIP and MCAP). However, traditional unemployment benefits are still considered income for Medi-Cal and CHIP purposes.

6. How do consumers who lost their job because of the COVID emergency estimate their income to find out if they qualify for Medi-Cal or financial help through Covered California? Should they use their current monthly income or their annual income?

Consumers may choose to estimate their income on a monthly or annual basis. What is important is that consumers carefully and correctly include all countable income<sup>1</sup> that applies to their situation. Making errors could prevent someone from receiving all the financial help they are eligible for. Or, it could cause them to receive more financial help than they are eligible for, requiring them to repay the financial help when they file their taxes. Covered California eligibility is based on annual income, and the system will calculate an annual income if a consumer enters their income on a monthly basis. Medi-Cal eligibility is based on monthly income, and the system will calculate a monthly income if a consumer enters their income on an annual basis.

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<sup>1</sup> The Department of Health Care Services (DHCS) maintains a complete list of [MAGI Income and Deduction Types](#).

**7. What are some common mistakes that could produce an incorrect eligibility determination?**

Consumers receiving the extra \$600 per week **PUC payment** will need to remember that this payment is added to their base unemployment insurance benefit amount in their weekly payment, and that this amount should be deducted when calculating monthly income for Medi-Cal eligibility. The extra \$600 per week **PUC payment** should be included when calculating annual income to see if financial help may be available through Covered California. Because **PUC payments** end July 25, 2020, only the amount the consumer will receive should be added to the annual income estimate. Consumers should be careful to not count this income for the rest of the year, or they will overestimate their annual income and potentially receive less financial help than they would otherwise be eligible to receive.

**8. What should current Covered California consumers do if they have lost their job or experienced a change in income?**

Consumers receiving financial help through Covered California should report changes in income within 30 days of the change in income by accessing their online account and reporting the change. Reporting an income change will trigger an eligibility redetermination to provide the consumer with current eligibility information based on current circumstances, which will reduce the risk of receiving too little—or too much—financial help. Income changes should be reported to the county within 10 days for mixed households with one or more family members covered by Medi-Cal.

**9. How can Californians find out if they are eligible for financial help through Covered California or free or low-cost Medi-Cal?**

Californians should visit CoveredCA.com and use [Covered California's Shop and Compare tool](#). Shop and Compare will give consumers an idea of what program they are eligible for (based on their income and household size) before starting an application. It is a quick and easy way to see what programs may be available.

The table below shows whether each CARES Act payment or income type is included in a consumer's income for the purposes of program eligibility:

	Covered California with Financial Help	Medi-Cal
CARES Act Tax Credits or Stimulus Payments	No	No
Extra \$600 per week PUC Payment	Yes	No
Traditional Unemployment Benefits	Yes	Yes