

Urgent Bulletin

Arizona Department of Economic Security
Arizona Health Care Cost Containment System

Federal Pandemic Unemployment Compensation (FPUC) and Tax Credit Stimulus Payment

04/13/2020

Program Impact: All programs

Federal Pandemic Unemployment Compensation (FPUC)

This Urgent Bulletin is being issued to inform staff that provisions under the Coronavirus Aid, Relief, and Economic Security (CARES) Act allows expansion of Unemployment Insurance (UI) benefits. The expansion provides \$600 per week in Federal Pandemic Unemployment Compensation (FPUC) in addition to the unemployment amount already offered by Arizona Unemployment benefits.

When budgeting the FPUC, consider the following:

- FPUC is countable in full for Nutrition Assistance (NA)
- FPUC is not countable for Medical Assistance (MA) and Cash Assistance (CA)

Unemployment Income and Cash Assistance

Effective 04/13/2020, all UI income including the FPUC is not countable for CA.

AZTECS Keying Procedure for FPUC:

The FPUC income is keyed separately from the regular unemployment income (UI). A new income sub type code, FP has been added to AZTECS in order to key the FPUC UI income. On UNIN, key the UI FP in the INC TYPE field and key the weekly amount on UNIC in the month it is received using the WK frequency code.

HEAplus Entry

For more information regarding FPUC for MA, please see AHCCCS News Flash NF 2020-012M.

Tax Credit Stimulus Payment:

The provisions of the CARES Act also allow certain people to receive a one-time Tax Credit Payment also known as Stimulus Payment. The payments will begin to be issued in early April

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2020 and continue through December 31, 2020, until all people have received their one-time payment.

The Stimulus payment is being treated as a Federal Tax Refund for 2020. Just as tax refunds are not countable as income or a resource in the month of receipt and the 12 months after the month of receipt, this payment will not be countable for NA or CA.

For more information regarding treating the tax refund as unearned income or a resource see FAA4.B03S and FAA4.H03HHH in the Cash and Nutrition Assistance Policy (CNAP) Manual. Use participant statement as a verification.

Federal income tax refunds are excluded for MA programs. Verification is not required for this payment. For more information regarding MA see MA606CC in the Medical Assistance Eligibility Policy (EPM) Manual.

AZTECS Keying Procedure for the Stimulus Payment:

Key the TR Unearned Income Code in the INC TYPE field on UNIC in the month the income is received.

Key OX on the LIAS AZTECS screen for any money remaining in the following 12 month as a resource.

HEAplus Entry

This income type is not currently listed in HEAplus. Until this income type is added to HEAplus, take the following action for MA:

- Do not enter this income into HEAplus.
- When a person reports that they got this payment, add the following case note in HEAplus:

Customer reports that they received CARES act tax credit in the amount of [ENTER AMOUNT REPORTED]. This income is excluded (MA606CC).

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Customers may add this payment in HEAplus when submitting an initial application online. There is not a specific income type for the one-time tax credit. It may be incorrectly reported as another income type such as:

- Emergency assistance
- Contributions

Staff should take the following action for MA when reported income is not a HUB hit and could be an amount consistent with the stimulus payment (\$1,200 per adult and \$500.00 per child):

Step	Action
1	<p>Make a collateral contact with the customer to confirm the payment type. Is the reported income the one-time CARES Act tax credit payment?</p> <ul style="list-style-type: none">• If YES, STOP. Remove the income and add the following case note in HEAplus: Customer reported that they received CARES Act tax credit in the amount of [ENTER AMOUNT REPORTED]. This income is excluded (MA606CC) and has been removed from HEAplus.• If NO, or if you were unable to contact the customer, continue to step 2.
2	<p>Send a Request for Information (RFI) to verify the income.</p>
3	<p>Did the customer call or provide the proof requested on the RFI?</p> <ul style="list-style-type: none">• If YES, review the proof. If the customer states the payment was for the CARES Act tax credit, remove the income and add the following case note in HEAplus: Customer reported that they received CARES Act tax credit in the amount of [ENTER AMOUNT REPORTED]. This income is excluded (MA606CC) and has been removed from HEAplus.• If NO, deny the customer for failure to provide proof of income.

Please contact the FAA Policy Support Team by phone at (602) 774-5523 or by e-mail at FAAPolicyMgmt@azdes.gov with any questions or concerns regarding this broadcast.

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