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MARCIA J.NIELSEN, PhD, MPH
Executive Director

ANDREW ALLISON, PhD
Deputy Director

Policy Memo

KHPA POLICY NO: 2009-03-01	From: Jeanine Schieferecke, Sr. Manager Medicaid/HealthWave Policy
Date: March 17, 2009	KFMAM Reference: 5500 KEESM Reference: 6410
RE: Additional Unemployment Compensation Payments	Program(s): All Medical Programs

This memo provides instructions for treatment of the increase in Unemployment Compensation (UC) benefits authorized under the American Recovery and Reinvestment Act of 2009 (ARRA). This memo also clarifies policy in situations where Unemployment Compensation benefits are pending and expected, but have not yet been issued. These instructions are effective immediately upon receipt of this memo.

Additional Unemployment Compensation Benefits

Under the ARRA, also known as the economic stimulus, the Kansas Department of Labor has entered in an agreement with the United States Secretary of Labor to receive additional UC benefits. The agreement provides an additional \$25.00 each week to each UC recipient. Individuals began receiving the additional compensation on March 4. All individuals receiving regular unemployment compensation will also receive the additional benefit. As long as the individual is eligible for a regular benefit in the week, they will also get the additional benefit. The individual does not have to request the additional benefit as it will be issued automatically with other UC benefits.

The additional weekly benefit is exempt for medical assistance programs, including all forms of Medicaid and HealthWave21. **Only the special increase is exempt under this provision, all other UC continues to be countable.**

Rm. 900-N, Landon Building, 900 SW Jackson Street, Topeka, KS 66612-1220

www.khpa.ks.gov

Medicaid and HealthWave:

Phone: 785-296-3981
Fax: 785-296-4813

State Employee Health

Benefits and Plan Purchasing:
Phone: 785-368-6361
Fax: 785-368-7180

State Self Insurance Fund:

Phone: 785-296-2364
Fax: 785-296-6995

Example: Mary receives regular UC of \$423 per week. She also receives the additional \$25 weekly benefit. When determining eligibility for medical, \$423 is countable and is included in the budget. The \$25.00 additional benefit is exempt.

Payments will appear on the Kansas Employment System (KES) – Benefit Account Record Information (BARI) file. The additional benefit amount paid will appear as a separate line item on the BARI record of the individual recipient. Payments identified as additional benefits will be recorded under program code 44 on the BARI file. Recipients may elect to have tax withholding apply to the benefit (indicated by 'on' or 'off' designation on the Withholding indicator). Amounts paid and withheld will also appear as separate line items on the BARI file. See the attached guide with examples of BARI screens which reflect the benefit.

Pending Unemployment Benefits

It is not necessary to hold case action pending a final decision regarding Unemployment Compensation. When all other information is received to finalize processing, the case is to be processed according to scheduled time frames – and would not be held in anticipation of a UC decision. If UC benefits are approved, recipients are required to report receipt of UC benefits within 10 days of receipt.