

The December 2020 COVID Relief & Omnibus Spending Bill: What Advocates for Older Adults Need to Know

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On December 27, 2020, the fourth COVID-19 relief package was signed into law, [The Coronavirus Response and Relief Supplemental Appropriations Act](#), totaling \$900 billion.¹ The relief package was combined with the larger [Consolidated Appropriations Act, 2021](#) (H.R. 133), a \$1.4 trillion omnibus bill that includes the annual government funding for fiscal year 2021 and numerous health care and other policies unrelated to appropriations.

This is a summary of major provisions impacting low-income older adults of both the COVID relief package and the omnibus spending bill. However, the most urgent needs of low-income older adults in this crisis still remain unaddressed.

The Coronavirus Response and Relief Supplemental Appropriations Act

The fourth COVID-19 relief package, the first since March, includes important but limited financial relief, vaccination funding, and other supports. However, the package failed to include the [most urgent and unmet needs of low-income older adults](#) and people with disabilities in this crisis including:

- **Medicaid Funding.** The final package does not include increased funding for Medicaid, home and community-based services (HCBS), or additional relief to states and local governments, putting HCBS at risk for cuts as states face budget shortfalls. Despite the incredible risk for death and serious illness that older adults and people with disabilities face in congregate settings, Congress stripped out the \$1.8 billion in funding for long-term services and supports and HCBS that was included in the original bipartisan COVID proposal released earlier in December.
- **Adult Dependents.** The COVID relief package again excludes adult tax dependents and individuals without Social Security Numbers from the new round of stimulus payments.

Fortunately, the package also does not include the Safe to Work Act or any provisions shielding businesses, including nursing facilities and health care providers, from liability for COVID-related injuries and deaths.

¹ Congress previously passed the Coronavirus Preparedness and Response Act (H.R. 6074) on March 6, 2020; the Families First Coronavirus Response Act (H.R. 6201) on March 18, 2020; and the CARES Act (H.R. 748) on March 27, 2020.

Financial Relief

- **Individual Tax Rebates/Stimulus Payments.** Individuals with adjusted gross incomes up to \$75,000 (\$150,000 married filing jointly) are eligible for a tax rebate in the amount of \$600 (\$1,200 married). Families receive an additional \$600 per child. The amount of the rebate will phase out by \$5 for every \$100 up to \$87,000 (\$174,000 married without children). Despite months of advocacy, adults who are claimed as dependents are not eligible for the rebate. While individuals who file taxes using an Individual Taxpayer Identification Number (ITIN) or undocumented immigrants remain ineligible for the stimulus payments, members of mixed-status households, where the household includes those who qualify for the stimulus payments and those who remain ineligible due to immigration status, are now eligible for these direct payments retroactive to the CARES Act. Individuals who live in skilled nursing facilities, assisted living facilities, prisons, and other institutionalized settings are also eligible to receive the stimulus payment.

Recipients of Social Security (retirement and disability), Supplemental Security Income, railroad retirees, and those receiving Veterans benefits will receive their payments automatically. The IRS will issue the second round of payments based on 2019 tax returns, as well as information provided by individuals through the online nonfiler portal used in the first round of stimulus payments. Those with no taxable income who do not file tax returns will need to complete a form provided by the IRS to receive their rebate check. Stimulus payments will not affect eligibility for federal means-tested programs like Medicaid, SSI, and SNAP. Those who do not receive a first or second round stimulus payment, but are eligible, can claim the payment on their 2020 tax return. Read more [here](#) and [here](#).

- **Unemployment Insurance.** The law renews the federal increase to unemployment benefits that expired in July. The federal funding will provide an additional \$300 a week for any worker eligible for state or federal unemployment compensation (UC) benefits through March 14, 2021 (previously, under the CARES Act the benefit was \$600). The bill also extends through March 14th the Pandemic Unemployment Assistance (PUA) program for expanded coverage to gig and contract workers and others in non-traditional employment and the Pandemic Emergency Unemployment Compensation (PEUC) program that provides additional weeks of federally-funded benefits to individuals who have exhausted their state benefits.
- **Paid Leave.** Under the latest relief package, emergency paid leave is no longer guaranteed. The Families First Coronavirus Response Act required employers to provide emergency paid sick leave and expand family medical leave for specified reasons related to COVID-19. These provisions expired on December 31, 2020, and the newly enacted relief package does not extend these requirements. It instead allows employers on a voluntary basis to provide paid leave through March 31, 2021, and receive a payroll tax credit.

Additional Supports

- **Housing Assistance.** The newly enacted relief package extends the CDC federal eviction moratorium through January 31, 2021, providing critical and immediate protection for millions of renters on the verge of losing their homes. The Act also includes \$25 billion in emergency rental assistance to help struggling renters impacted by COVID-19 to pay past due rent, future rent, and utility and energy bills to prevent power shutoffs. While this \$25 billion cannot meet the estimated \$70 billion in back rent owed due to pandemic-related economic losses, it will provide an important stopgap until Congress can return to work on comprehensive solutions. These funds will be distributed by state and local governments, and includes \$800 million for Native American tribal areas.

- **Food Assistance.** The relief package includes a 15% increase to SNAP benefits for everyone enrolled in the program through June 30, 2021, which is estimated to be an extra \$25 to \$30 a month per person. The relief package also expands SNAP eligibility to college students and excludes counting unemployment benefits in SNAP eligibility determinations. The relief package also includes additional funding for food banks (\$400M), senior nutrition programs (\$175M), and nutrition grants to Puerto Rico and the territories that are not eligible for SNAP (\$614M).
- **Vaccines and Testing.** The relief package includes \$69 billion for COVID-19 vaccines and testing and tracing. It allocates \$9 billion to the CDC and states for vaccine distribution with \$400 million earmarked for vaccine allocation to high risk and underserved areas, including communities of color. The package allocates \$22 billion to states for testing, tracing, and COVID mitigation programs. Of the \$22 billion, \$2.5 billion will be allocated to underserved communities through grants. The remaining funding is allocated to vaccine research and development, building the stockpile of vaccine supplies, mental health funding, and funding for mental health and the Indian Health Service.
- **Broadband.** The relief package includes \$3.2 billion to expand broadband access to low-income families and a \$1 billion tribal broadband fund, as well as funding for telehealth, broadband mapping to effectively allocate funding to the areas most in need, and a grant program to fund broadband in rural areas.
- **Elder Abuse.** The relief package includes \$100 million for the Administration for Community Living to “address abuse, neglect and exploitation of the elderly, including adult protective service and long-term care ombudsman activities.”

What’s Still Urgently Needed

Congress and the new Administration must immediately enact additional COVID-19 relief to meet the [urgent needs of low-income older adults](#), people with disabilities, and communities of color who have been most impacted.

- **Center Racial Equity.** People of color continue to contract and die from COVID-19 at disproportionate rates and experience severe economic and health disparities due to historic and present-day racial discrimination, and are on the front-lines of fighting this epidemic. Yet Congress has not made addressing disparities an affirmative goal or taken the steps necessary to fully assess the impact of recovery efforts and relief funds on racial equity. We continue to call on Congress to explicitly target relief efforts and policies to support recovery for those most harshly impacted and immediately start collecting robust, intersectional data.
- **Increase Medicaid Funding and Funding for Home and Community Services.** Medicaid and state governments must have the resources they need to ensure they can care for low-income older adults and people with disabilities who are at most risk of serious illness. Congress should therefore increase the Federal Medical Assistance Percentage (FMAP), including a targeted FMAP for HCBS, to ensure older adults can receive the services they need in their homes and communities rather than nursing facilities.

Omnibus Package

In addition to the COVID relief package, the omnibus package includes \$1.4 trillion in appropriations for FY 2021, with [increased funding](#) for programs and services that older adults rely on, as well as a number of critical pieces of legislation that will help low-income older adults.

Legislation

- **Money Follows the Person.** The Money Follows the Person (MFP) program helps to transition individuals out of institutional-based settings into the community. MFP was set to expire in December 2020. The omnibus package extends MFP for three years through September 20, 2023. The omnibus package bill also reduces the residency stay requirement in a nursing facility from 90 days to 60 days to qualify for services.
- **Spousal Impoverishment Protections for HCBS.** The spousal impoverishment protection is a Medicaid eligibility rule that allows one spouse to qualify for Medicaid home and community-based services (HCBS) while allowing the “community spouse” to keep income and assets so they will not become impoverished. The spousal impoverishment protections for HCBS were set to expire in December, 2020. The omnibus package extends spousal impoverishment protections for three years through September 30, 2023.
- **Simplification of Medicare Enrollment.** The omnibus package simplifies Medicare enrollment by eliminating the seven-month waiting period for coverage when enrolling in the General Enrollment Period (GEP) and the later months of the Initial Enrollment Period (IEP), and creating a Medicare special enroll period for exceptional circumstances beginning in 2023.
- **Medicare Prescription Coverage.** The omnibus package permanently authorizes the Limited Income Newly Eligible Transition (LINET) program. LINET prevents gaps in coverage that occur during enrollment in Medicare Part D by providing temporary prescription drug coverage for low-income enrollees.
- **Colorectal Cancer Screenings.** Medicare fully covers a colonoscopy. However, if a polyp is discovered or removed during the colonoscopy, for billing purposes, the colonoscopy is no longer fully covered. This cost deters individuals from seeking a colonoscopy and increases the likelihood of cancer going undetected, particularly harming Black men. The omnibus package includes the Removing Barriers to Colorectal Cancer Screening Act, which eliminates unexpected Medicare costs for colorectal screenings.
- **Restoration of Medicaid Coverage.** The omnibus package restores Medicaid coverage to the Compact of Free Association (COFA) citizens from the Federated States of Micronesia, The Republic of the Marshall Islands, and the Republic of Palau. It is estimated as many as 94,000 people nationally will benefit from the restoration.
- **Medicaid Non-Emergency Transportation.** The Centers for Medicare & Medicaid Services (CMS) has interpreted the Medicaid statute to require necessary transportation to and from providers – known as non-emergency medical transportation (NEMT). The omnibus package codifies this interpretation of NEMT as a mandatory benefit in the Medicaid statute by adding a specific requirement that Medicaid “ensure necessary transportation for beneficiaries under the State Plan...”
- **Medical Expense Threshold.** Individuals who itemize deductions on their federal income tax returns are able to deduct qualifying medical expenses that exceed 7.5% of their adjusted gross income. This provision was set to expire in December 2020 and would have increased the threshold to 10%. The omnibus package permanently sets the medical expense threshold at 7.5%.
- **Medical Surprise Billing.** The omnibus package includes provisions to curb surprise medical billing by prohibiting certain out-of-network providers from balance billing patients unless the patient is notified that the provider is out of network.

Appropriations

- **Administration for Community Living.** The Administration for Community Living (ACL) received \$35 million in increased funding in 2021 for a total of \$2.3 billion. The funding includes the annual allocations for ACL to carry out its programs including Older Americans Act Title III B programs, funding for the Senior Community Service Employment Program, and an increase of \$15 million for senior nutrition (total \$952 million) and an increase of \$4 million for Family Caregiver Services (total \$200 million).
- **Social Security Administration.** \$12.9 billion is provided for SSA's operating expenses, including a very modest increase of \$67 million over 2020.
- **Legal Services Corporation.** The 2021 funding appropriations includes \$465 million for the Legal Services Corporation (LSC), which funds legal services for low-income individuals. This is a \$25 million increase over the 2020 enacted level.
- **LIHEAP.** The Low-Income Home Emergency Program (LIHEAP), which provides assistance to help pay for heating bills and prevent energy shutoffs received a \$10 million increase from 2020 for a total of \$3.8 billion.
- **Community Services Block Grants.** Community Services Block Grants provide federal funds to states, territories, and tribes to distribute to local agencies to reduce poverty in communities. Federal funding for the grants is increased by \$10 million in 2021 to total \$745 million.
- **Department of Housing and Urban Development.** The Department of Housing and Urban Development (HUD) is funded for a total of \$49.6 billion, a \$561 million increase from the 2020 enacted levels. The bill provides level funding or modest increases for all HUD programs, including:
 - Section 202 federal housing for the elderly of \$855 million, a \$62 million increase.
 - Section 811 housing for people with disabilities of \$227 million, a \$25 million increase.
 - \$13.5 billion for Section 8 Project-Based Rental Assistance, a \$1 billion increase.
 - \$25.8 billion for Housing Choice Voucher program, a \$1.9 billion increase.
 - Public Housing Fund that pays for public housing operations funded at \$7.8 billion, an increase of \$387 million.
 - Full renewal of grant-based Services Coordinators (estimated at \$95 million) and an additional \$30 million for new Service Coordinators.
 - Expands access to housing, providing \$43.4 million in new targeted vouchers to reduce homelessness among families with children, individuals, the unsheltered, veterans, and survivors of domestic violence
- **Public Health.** The 2021 funding appropriations includes \$175 million to reduce HIV infections, an increase of \$35 million from 2020. Ryan White funding is also increased by \$25 million to \$2.4 billion. Public health funding for Alzheimer's Disease was increased by \$5 million to \$20.5 million.

We will continue to update our network on these programs and policy changes. Questions, contact info@justiceinaging.org.