



# CHIP Policy Clarification

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## CHIP POLICY CLARIFICATION 2020-08

**ISSUE DATE:** May 7, 2020

**EFFECTIVE DATE:** Immediately

**SUBJECT:** Unemployment Compensation Calculations

**TO:** CHIP MCOs

**FROM:** *Patricia M. Allan*  
Patricia M. Allan  
Executive Director of CHIP

### **PURPOSE:**

To issue guidance to CHIP Managed Care Organizations (MCOs) that unemployment income must be calculated for a thirty-nine (39) week period when determining eligibility for CHIP for the duration of the public health emergency.

### **BACKGROUND:**

Section 2104(h) of the Coronavirus Aid, Relief, and Economic Security (CARES) Act allows that the Federal pandemic unemployment compensation paid to an individual under this section be disregarded when determining eligibility for Medicaid and CHIP. States are to disregard the \$600 weekly Pandemic Unemployment Compensation in determining income eligibility for Medicaid and CHIP. Furthermore, the CARES Act extends the regular unemployment by 13 (thirteen) weeks. The timeframe for unemployment eligibility is increased from twenty-six (26) weeks total to thirty-nine (39) weeks total.

The section 2104(h) disregard applies specifically to Federal pandemic unemployment benefit compensation of \$600 a week. Regular unemployment payments including the extension period are counted when determining Medicaid and CHIP eligibility.

### **DISCUSSION:**

CHIP Managed Care Organizations (MCOs) are to continue to disregard the \$600 weekly Pandemic Unemployment Compensation as required by section 2104(h) of the CARES Act. Furthermore, CHIP MCOs are to calculate unemployment benefits based on the regular twenty-



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six (26) week plus extended unemployment period thirteen (13) weeks for a total of thirty-nine (39) weeks.

## **NEXT STEPS**

1. Review the information in this policy clarification with appropriate staff.
2. Implement this policy clarification immediately.
3. This policy clarification will remain in effect for the duration of CARES Act authorization period. The OOC may re-issue this policy clarification as appropriate.
4. Questions concerning this policy clarification should be directed to J. Diane Brannon-Nordtomme, CHIP Policy Director, at (717) 585-2462 or via email at [jbrannonno@pa.gov](mailto:jbrannonno@pa.gov).