



## POLICY MEMO

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<b>TITLE:</b>	<b>ADVANCE CHILD TAX CREDIT PAYMENTS OF 2021 (ECONOMIC STIMULUS): INCOME AND RESOURCE ELIGIBILITY</b>
<b>SUPERSEDES NUMBER:</b>	N/A
<b>EFFECTIVE DATE:</b>	<b>JULY 1, 2021</b>
<b>DIVISION AND OFFICE:</b>	<b>MEDICAID OPERATIONS OFFICE</b>
<b>PROGRAM AREA:</b>	<b>ELIGIBILITY POLICY</b>
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<b>APPROVED BY: KIM BIMESTEFER</b>	

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### **Purpose and Audience:**

The purpose of this Policy Memo is to inform eligibility sites of the income and resource eligibility rules for the Advance Child Tax Credit (CTC) for tax year 2021 expanded by the American Rescue Plan Act (ARPA). This memo includes guidance for all Medical Assistance eligibility categories. Please share this memo with all eligibility staff, supervisors, and outside agencies as appropriate.

### **Information:**

Section 9611 of the American Rescue Plan Act provides an advancement of the Child Tax Credit. Eligible families can receive advanced payments of up to \$300 per month for each child under 6 years of age, and up to \$250 per month for each child 6 to 17 years of age. The Internal Revenue Service was directed to provide these credits as a tax advancement to eligible tax payers from July 1, 2021 to December 31, 2021 only.

MAGI- Health First Colorado and Child Health Plan *Plus* (CHP+) Eligibility Categories

The Advance Child Tax Credit is not taxable income. As such, the CTC is *not* countable income for MAGI and CHP+ eligibility determinations.

Non-MAGI- Health First Colorado Eligibility Categories

The Advance Child Tax Credit is considered an advance payment of a refundable federal tax credit. As such, the Advance Child Tax Credit is *not* countable income for Non-MAGI eligibility determinations. The Advance Child Tax Credit will *not* be a countable resource for 12 months for any Non-MAGI financial eligibility determinations that include a resource test.

Patient Payments for Long Term Care Institutions

The Advance Child Tax Credit is not countable income for eligibility determinations. As such, they will *not* be considered when calculating patient payment.

**Attachment(s):**

None

**Department Contact:**

[HCPF\\_MEDICAID.ELIGIBILITY@STATE.CO.US](mailto:HCPF_MEDICAID.ELIGIBILITY@STATE.CO.US)