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# AMERICAN RESCUE PLAN ACT (ARPA) FREQUENTLY ASKED QUESTIONS

**THIS DOCUMENT ANSWERS THE MOST FREQUENTLY ASKED QUESTIONS (FAQS) ABOUT 6 WAYS MOST KENTUCKY HOUSEHOLDS WILL BENEFIT DIRECTLY**

The American Rescue Plan Act (ARPA) was signed into law by President Biden on March 11, 2021. Many Kentuckians have already begun to see the benefits of ARPA as federal funding has hit bank accounts, extended unemployment insurance, and increased assistance for food, healthcare, and housing. ARPA is also providing state and local governments with funding to invest in public health, child care, infrastructure, jobs, and more. Together, these relief efforts will help Kentucky put the COVID-19 pandemic behind us, strengthen our economy, and build back better.

## Stimulus Checks

### AM I ELIGIBLE FOR A STIMULUS CHECK?

Generally, if you were eligible for the first two rounds of Economic Impact Payments, then you will qualify for the third payment, as well.

#### Eligibility is based on:

- Being a U.S. citizen or U.S. resident alien
- Having a Social Security number valid for employment
- Not being claimed as a dependent of another taxpayer (although you may claim your own dependents)
- Having adjusted gross income (AGI) that does not exceed:
  - \$150,000 if married and filing a joint return
  - \$112,500 if filing as head of household or
  - \$75,000 for eligible individuals using any other filing status

Please note, payments are reduced by 5% of the amount by which your AGI exceeds the applicable threshold above.

### WHAT DO I DO IF I THINK I RECEIVED TOO LITTLE OR MISSED OUT ON THE FIRST TWO ROUNDS?

If you're eligible – and either didn't receive Economic Impact Payments or if you think you qualify for more than you received – you'll need to file a **2020 tax return** and claim the Recovery Rebate Credit even if you otherwise are not required to file a tax return.

The best way to file a complete and accurate return is to file electronically. The tax software will ask you questions about your income, credits and deductions and will help you figure your Recovery Rebate Credit.

If your income is \$72,000 or less, you can use brand-name software to prepare and file your Federal tax return electronically for free with IRS Free File. IRS Free File is a great option for people who are only filing a tax return to claim the Recovery Rebate Credit.

Visit [IRS.gov/filing](https://www.irs.gov/filing) for details about IRS Free File, Free File Fillable Forms, free VITA or TCE tax preparation sites in your community or finding a trusted tax professional.

The safest and fastest way to get a tax refund (which would include your Recovery Rebate Credit) is to combine electronic filing with direct deposit.

### HOW DO I GET A STIMULUS CHECK?

Most Kentuckians don't need to do anything. The IRS will use available information to determine your eligibility and issue the third payment to eligible people who:

- Filed a 2020 tax return
- Filed a 2019 tax return if the 2020 tax return has not been submitted or processed yet
- Did not file a 2020 or 2019 tax return but registered for the first Economic Impact Payment with the Non-Filers tool in 2020
- Are federal benefit recipients who do not usually file a tax return.

If none of the above applies to your situation, you will need to file a **2020 tax return** and claim the Recovery Rebate Credit, even if you otherwise are not required to file a tax return.

### WHERE WILL THE IRS SEND MY STIMULUS PAYMENT?

Unless you request otherwise, the third stimulus payment will most likely be delivered in the same way as the first two payments, or in the way your most recent tax return payment was delivered. The IRS may send you a paper check if they attempted to make a direct deposit and their attempt was rejected either because you closed your bank account or the bank chose to reject it for some reason.

### WILL MY STIMULUS CHECK MAKE ME INELIGIBLE FOR OTHER BENEFITS LIKE SNAP OR MEDICAID?

No. Economic Impact Payments can't be counted as income when determining if you or anyone else is eligible for benefits or assistance, or how much you or anyone else can receive, under any federal program or under any state or local program financed in whole or in part with federal funds. These programs also can't count Economic Impact Payments as a resource for purposes of determining eligibility for a period of 12 months from receipt.

# Stimulus Checks

## ARE MY DEPENDENTS ELIGIBLE FOR A STIMULUS CHECK?

**Likely yes.** The third payment includes up to an additional \$1,400 for each dependent you claim on your 2020 tax return (or your 2019 return if a 2020 return has not been filed or processed) with a valid SSN or Adoption Taxpayer Identification Number issued by the IRS. A valid SSN for the third Economic Impact Payment is one that is issued by the Social Security Administration before the due date of your tax return (including an extension to October 15 if you request it).

**A child is your qualifying child if the following conditions are met:**

- Relationship to the individual who's eligible for the payment: The child is your son, daughter, stepchild, eligible foster child, brother, sister, stepbrother, stepsister, half-brother, half-sister, or a descendant of any of them (for example, grandchild, niece, or nephew).
- Child's age: The child was:
  - Under age 19 at the end of the tax year,
  - Under age 24 at the end of the tax year, a student, and younger than you, or
  - Any age and permanently and totally disabled.
- Child's citizenship: The child's a U.S. citizen, U.S. national, U.S. resident alien, or a resident of Canada or Mexico.
- Child's residency: The child lived with you for more than half of the tax year.
- Support for child: The child didn't provide over half of his or her own support for the tax year.
- Child's tax return: The child doesn't file a joint return for the year (or files it only to claim a refund of withheld income tax or estimated tax paid).

## Child Tax Credit (CTC)

### WHAT'S NEW ABOUT THE CHILD TAX CREDIT?

The CTC was increased from \$2,000 per child to \$3,600 for children under 6 and \$3,000 for children 6-17. It was also made entirely refundable, meaning qualifying families will be sent a payment for the entire amount of the credit above what they owe in taxes. And now all low-income families qualify (some extremely low-income families previously didn't qualify).

Also, now the credit will be paid out in installments - with half being paid out periodically between July and December and the other half paid out when families file their 2021 taxes next year.

### WHAT IF I HAVE A BABY OR HAVE A NEW DEPENDENT CHILD INTO MY HOME THIS YEAR? DO I STILL QUALIFY FOR THE CTC?

Yes. If you have a child, or a child becomes your dependent during the year, the IRS will have an online portal where you can report changes like that. If you would rather wait, you can also add your dependent child to your tax return next year and still receive the full credit.

### HOW LONG WILL THE ENHANCED CTC LAST?

The enhanced CTC from the American Rescue Plan Act is only authorized for the 2021 tax year. While there is conversation in Washington D.C. about making it a permanent program, it will expire this year without further action.

### WILL MY CTC MAKE ME INELIGIBLE FOR OTHER BENEFITS LIKE SNAP OR MEDICAID?

No. The CTC is a tax credit against taxes you owe, and are not considered income for the purpose of program eligibility.

### WHEN WILL I START GETTING CTC PAYMENTS?

There is no official start date for when these payments will start to be made, but families with children will begin receiving payments after July, when the program begins.

### IF I GET PAID TOO MUCH IN CTC, DO I HAVE TO PAY IT BACK?

**It depends.** With advance payments of the CTC, there are sure to be instances in which families receive more in advance CTC payments from the IRS than they are otherwise entitled to. And the American Rescue Plan contemplates this by providing a "safe harbor" for lower- and moderate-income taxpayers.

Families with 2021 adjusted gross income at or below \$40,000 on a single return, \$50,000 on a head-of-household return and \$60,000 on a joint return won't have to repay any credit overpayments that they get. On the other hand, families with 2021 adjusted gross incomes of at least \$80,000 on a single return, \$100,000 on a head-of-household return and \$120,000 on a joint return will need to repay the entire amount of any overpayment when they file their 2021 tax return next year. And families with 2021 adjusted gross incomes between these thresholds will need to repay a portion of the overpayment.

# Marketplace Enhanced Subsidies

## WHO IS ELIGIBLE FOR ENHANCED SUBSIDIES THROUGH THE HEALTH INSURANCE MARKETPLACE?

More than 122,000 Kentuckians are now eligible for new or enhanced subsidies on the marketplace. An estimated 7,100 Kentuckians are newly eligible for a \$0 premium marketplace benchmark plan on [healthcare.gov](https://healthcare.gov).

**These increased subsidies could be helpful for Kentuckians who are:**

- Currently uninsured
- Enrolled in a short term, limited duration health plan (STLD plans)
- Enrolled in private health insurance that costs more than 8.5% of your yearly income
- Enrolled in Presumptive Eligibility (PE), but will not be eligible for full Medicaid because of annual income above 138% FPL ([more information about income and FPL](#))
- Enrolled in employer sponsored insurance that costs more 9.83% of your annual income for an "employee only" plan. [More on employer-sponsored plans here.](#)
- Already enrolled in marketplace insurance

If you think you could be eligible for increased subsidies, check out the [marketplace preview plans tool](#), to see a personalized subsidy estimate and preview available health plans with the subsidy estimate already included.

## WHEN CAN KENTUCKIANS SHOP FOR COVERAGE WITH ENHANCED SUBSIDIES?

Because the Biden-Harris administration opened a special enrollment period (SEP) for the marketplace running from February 15 - August 15, individuals and families can go on [healthcare.gov](https://healthcare.gov) to shop for plans with the available increased subsidies already reflected in the price.

## HOW DO ENHANCED SUBSIDIES IMPACT PREMIUMS?

Increased subsidies will vastly decrease the monthly premiums for people with low to moderate incomes. People with incomes below 150% FPL (about \$19,000 for an individual and \$39,000 for a family of four) would qualify for a \$0 monthly premium for a benchmark plan with lower out-of-pocket costs like copays and coinsurance. While the enhanced subsidies are based on a maximum cap of 8.5% of yearly income, most Kentuckians can find a comprehensive health insurance plan for much less.

## I AM RECEIVING UNEMPLOYMENT BENEFITS RIGHT NOW, CAN I QUALIFY FOR ANY SUBSIDIES?

Kentuckians who receive unemployment insurance for at least **one week** in 2021 are eligible to receive the **maximum amount** of premium subsidies and cost-sharing reductions for the entire 2021 year. This makes the benchmark plan **\$0 monthly for people receiving unemployment benefits in 2021.** \*

While this opportunity will not be available on [healthcare.gov](https://healthcare.gov) until July 2021, it is strongly advised that you go ahead and submit an application and enroll in insurance now. The increased subsidies are retroactive back to the beginning of 2021, and any increased subsidy that you did not receive but are eligible for will be reconciled when you file taxes in 2022. This means you will get additional money back when you file your 2021 taxes.

## I HAVE EMPLOYER-SPONSORED HEALTH INSURANCE, BUT IT WOULD BE REALLY EXPENSIVE TO ADD MY FAMILY TO MY COVERAGE. COULD I QUALIFY FOR INCREASED SUBSIDIES THROUGH THE MARKETPLACE?

Many families with access to Employer Sponsored Insurance (ESI) will not be eligible for enhanced subsidies, but some will. Unfortunately, this is part of an ongoing gap called the "family glitch." For the purposes of determining eligibility for premium subsidies on the marketplace, someone with an offer of job-based coverage has to look at how affordable their job-based insurance is. The marketplace defines a plan as affordable if it costs less than 9.83% of annual income to cover an employee only. The marketplace currently only looks at the premium price for the "employee only" and not the price for adding a spouse and/or dependents to the job-based plan. This is the family glitch. Oftentimes, the "employee-only" plan premium is considered affordable because it costs less than 9.83% of annual income, however, the cost to add additional family members can make these plans quite unaffordable.

If you are currently enrolled in employer coverage and the cost for the employee-only plan is more than 9.83% of your annual income, you and your family could be eligible for premium subsidies on the marketplace that would cap your price at 8.5% of your annual income.

## IS THERE ANY HELP FOR PEOPLE WITH HIGHER INCOMES?

Yes! Kentuckians with higher incomes who have been previously ineligible for subsidies through the marketplace will now receive increased subsidies to lower the cost of a health insurance plan to 8.5% of income for all incomes above 400% FPL. This means that people with incomes at higher levels and older Kentuckians who are not yet eligible for Medicare, could be newly eligible for subsidies through the marketplace that would make health insurance more affordable.

**Examples:**

- 45-year old individual making \$45,000 annually would be eligible for an estimated \$95 a month in premium subsidies, reducing the cost of a silver plan from \$369 to \$274 monthly
- Family of four making \$75,000 annually would be eligible to receive an estimated \$1,453 per month in premium subsidies, reducing the cost of a silver plan from \$1793 per month down to just \$341 per month.
- 60-year old individual with no dependents making \$40,000 annually would be eligible to receive approximately \$140 a month in premium subsidies, reducing the cost of a silver plan from \$352 per month down to \$211 per month.
- 60-year old married couple making \$65,000 annually with no dependents would be eligible to receive approximately \$1,512 a month in premium subsidies, reducing the cost of a silver plan from \$1,942 per month down to \$430 per month

## HOW CAN I GET HELP WITH THE APPLICATION OR TO "REPORT A CHANGE"?

If you have any general questions or want to update or submit an application over the phone, you can call the marketplace directly at **1-800-318-2596**. Or to get local help or more state-specific information, use the [find a kynector tool](#) or call **1-855-459-6328** for help with finding a kynector in your county.

# Marketplace Enhanced Subsidies

## WILL MY STIMULUS, UNEMPLOYMENT BENEFITS, OR CHILD TAX CREDITS COUNT AS INCOME TOWARDS DETERMINING ELIGIBILITY FOR PREMIUM SUBSIDIES?

Neither the stimulus money nor child tax credits count as income that needs to be reported for the marketplace. Unemployment benefits **do count** as income for the marketplace and should be accurately reported or estimated on your application.

Remember, for 2021 only, there is still a special provision allowing people who receive unemployment benefits to receive the maximum amount of subsidies and cost-sharing reductions, regardless of any other income increases for the entire 2021 year.

## HOW DO I RECEIVE THESE INCREASED SUBSIDIES? IF I'M ALREADY ENROLLED IN A PLAN, DO I HAVE TO DO ANYTHING ELSE?

To access these benefits, individuals and families must submit an application to [healthcare.gov](https://healthcare.gov). After submitting an application, you instantly receive an eligibility determination with the total amount of premium subsidies for which you are eligible. Then you can shop and compare plans and prices with the increased subsidy already applied.

If already enrolled in a marketplace plan, simply "report a change" to update the application and receive the new eligibility determination which reflects the increased marketplace subsidies.

# SNAP Food Assistance ALSO KNOWN AS "FOOD STAMPS"

## WHAT ARE THE BENEFIT INCREASES IN SNAP AND WHEN WILL THEY END?

ARPA extends the SNAP 15% increase in maximum benefits through September 30, 2021. This benefit increase of 15% was established in January 2021 and was originally scheduled to end in June.

## IS THE 15% INCREASE DIFFERENT FROM THE "MAX ALLOTMENT" FOR SNAP HOUSEHOLDS?

Yes. **Emergency Allotments** (also called max SNAP) has provided households who were not receiving the maximum SNAP benefits for their household size with additional benefits during the pandemic. Kentucky has been providing Emergency Allotments since April 2020 to approximately 200,000 households per month. This benefit requires Kentucky to be in a state of emergency and we must request approval to provide these benefits from the USDA each month.

## HOW HAS ELIGIBILITY FOR SNAP CHANGED FOR COLLEGE STUDENTS?

Eligibility for college students has been **temporarily expanded** through the pandemic. You may now be eligible for SNAP if you are a college student and,

- You are eligible to participate in state or federally financed work study during the regular school year, as determined by the institution of higher education, or
- You have an expected family contribution (EFC) of \$0 in the current academic year.

## CAN I PURCHASE GROCERIES WITH SNAP ONLINE?

Yes, you can use your SNAP online to purchase eligible foods from Amazon and Walmart. Though you may purchase groceries through Kroger Clicklist, they are not yet an **approved SNAP Online Purchasing retailer**, meaning you will have to use your SNAP EBT card in person to complete that transaction. An estimated \$25 million in ARP will go towards SNAP Online Purchasing to make it easier to use your SNAP to buy groceries online. This includes technology improvements, mobile payment options and assistance to stores.

## WHO IS ELIGIBLE FOR THE 15% BENEFIT INCREASE?

The 15% increase applies to all Kentucky households that receive SNAP.

## MY HOUSEHOLD RECEIVED THE MAXIMUM ALLOTMENT BEFORE THE PANDEMIC BECAUSE OF OUR INCOME. WHY AREN'T WE GETTING MORE HELP?

The USDA **recently announced** it will provide additional benefits to households with the lowest incomes beginning at the end of April 2021. These households were previously left out of receiving SNAP Emergency Allotment because they received the maximum benefit for their household's size before the pandemic.

## WILL MY NEW STIMULUS MONEY OR UNEMPLOYMENT BENEFITS IMPACT MY SNAP BENEFITS?

ARPA established that the unemployment insurance also known as the Federal Pandemic Unemployment Compensation (FPUC), in addition to stimulus payments (Recovery Rebate) and the Child Tax Credit (CTC) will **not count as income in the SNAP program**. That means these payments will not impact the amount of SNAP benefits you may be eligible for. Meanwhile some special unemployment programs that were extended by ARPA are considered unearned income in the SNAP program. The following types of UI will be counted as income and could impact the amount of benefits you receive, including: Pandemic Unemployment Assistance (PUA) and Pandemic Emergency Unemployment Compensation (PEUC).

## DOES SNAP IMPACT MY PUBLIC CHARGE CASE OR IMMIGRATION STATUS?

The **Public Charge Rule** no longer applies to SNAP, meaning participating in any public assistance program including SNAP, Medicaid or housing assistance, can no longer impact your or your family's public charge case or immigration status.

# SNAP Food Assistance ALSO KNOWN AS "FOOD STAMPS"

## WHAT IF I HAVE BEEN DENIED OR DISENROLLED FROM SNAP IN THE PAST?

With all of these recent changes, if you have applied and been denied in the past, you may now be eligible. Apply today at [kynect.ky.gov](http://kynect.ky.gov) or call DCBS at **1-855-306-8959**.

## P-EBT School Meals at Home

### WHAT IS PANDEMIC EBT (P-EBT)?

The Pandemic Electronic Benefit Transfer (P-EBT) was established for families to get reimbursed for buying food to replace the free school meals their child/ren would have been receiving had they been in school during the COVID-19 pandemic. The benefits being distributed March to June make up for October 2020 to May 2021, known as Round #3 for P-EBT.

### IF I AM ELIGIBLE, HOW DO I ENROLL?

Eligibility is automatic for all of Kentucky's public and private school children who attended school virtually or through "hybrid" learning with a mix of virtual and in-person classes who attend public and private schools in Kentucky that meet receive free/reduced price meals through the National School Lunch Program (NSLP) and students enrolled in Community Eligibility Provision (CEP) schools .standards and who attended school virtually or through "hybrid" learning with a mix of virtual and in-person classes. For children attending public schools that are not CEP, the student must be approved for free/reduced price schools meals through an [application process](#). [Individual applications can be submitted](#) for Free and Reduced Price School Meals in order to be eligible for the current round of P-EBT and to receive free or reduced meals while schools are in person the last few months of this school year.

### WHAT IF MY CHILD RECEIVED LESS GROCERY MONEY THROUGH P-EBT THAN THEY SHOULD HAVE?

Call **855-306-8959** to request a reconsideration process for your child's benefits. You will need your child's name, date of birth and State Student Identification Number (SSID). You can get this number from your school district's office or if your child is in a private school, you can call the school's office.

### WHO IS ELIGIBLE FOR P-EBT?

Students who attend public or private schools offering the National School Lunch Program (NSLP) who qualify for free or reduced-price meals and students enrolled in [Community Eligibility Provision \(CEP\)](#) schools are **eligible if:**

- Students were/are enrolled in a virtual or hybrid learning model as
- Verified by their school district.

#### Students who are not eligible:

- Families with students enrolled in all in-person classes
- Traditional homeschool students
- Families with students in military boarding schools
- Families with students enrolled in schools that do not offer NSLP

### WHEN CAN I EXPECT TO SEE MY P-EBT BENEFITS?

Benefits have already begun to be distributed and are loaded onto the white P-EBT cards that have the child's name on them, or, for children already on SNAP, P-EBT benefits will be loaded onto their EBT cards. If you have lost or discarded your P-EBT card or want to check your balance, you can call **888.979.9949** to request a new card. Was your child/ren all-virtual, but only received the hybrid amount? Call **855.306.8959** to request a reconsideration. Additional information, including a schedule for benefits to be released can be found here in [English](#), and here in [Spanish](#).

## HOUSING

### WHAT HOUSING RELIEF IS AVAILABLE TO KENTUCKIANS?

ARPA makes an additional \$235M in rent and utility relief available to Kentuckians who rent their homes and their landlords. This funding could benefit up to 250,000 Kentucky families. The rental assistance can pay back rent owed and pay up to 3 months of rent going forward. The funds also allow for utility back payments and up to 3 months of utility assistance moving forward. Additional funds in ARPA support people experiencing homelessness and people who are behind on mortgage payments.

### I AM CURRENTLY RENTING BUT BEHIND ON MY RENT PAYMENTS. CAN I GET RENT ASSISTANCE?

Currently, there is Emergency Rental Assistance available, with more to come from ARPA this year. It can serve households up to 80% of the Area Median Income (check local income eligibility at [Healthy at Home Eviction Relief Fund](#)).

# HOUSING

## HOW DO I APPLY FOR ASSISTANCE?

Depending on where you live, apply at the following links:

- **Louisville:** Stop My Eviction
- **Lexington:** How do I get help? | City of Lexington
- **Rest of KY:** Healthy at Home Eviction Relief Fund

## WHAT IF I'M BEHIND ON MY MORTGAGE?

A Homeowners Assistance Fund will provide at least \$50M to Kentucky to help people with mortgages who have experienced economic hardship during COVID-19. The home's loan principal balance must be at or below \$548,000. Until this fund is created, contact [Kentucky Homeownership Protection Center](#) for guidance and assistance.

## I AM BEHIND ON MY ELECTRIC AND WATER BILL. IS THERE ANY HELP WITH THAT?

If you are renting, you can apply for utility relief as part of the [Healthy at Home Eviction Relief Fund](#) or [City of Lexington](#). If you're in Louisville, apply at your local [Neighborhood Place](#). If you have a mortgage or own your home outright, apply at your local community action agency.

## I AM HOMELESS. HOW DO I GET INTO SHELTER AND APPLY FOR HOUSING ASSISTANCE?

It depends on which county you're in.

- In Louisville, call **502-637-2337** to reserve a bed/get the common assessment for housing.
- In Lexington, call the street outreach team at **859-533-9199**.
- If you are in another county, contact [Homeless and Housing Coalition of Kentucky](#) to be directed to the regional homeless service provider or closest shelter.

## I GOT A NOTICE FROM THE COURT THAT MY LANDLORD HAS FILED AN EVICTION. WHAT DO I DO?

Do not leave your home just yet.

**Follow these steps to prevent eviction:**

1. If you haven't already, visit [Homerenter Declaration](#) and complete the declaration that you are unable to pay your rent.
2. Next, if you haven't already, apply for rent assistance and document your application via screenshot or paper.
3. Contact your local Legal Aid office:  
**Kentucky Legal Aid:**  
**Western Kentucky (270-782-5740)**  
**Legal Aid Society:**  
**Louisville and surrounding counties (502-584-1254)**  
**Legal Aid of the Bluegrass:**  
**Central and Northern Kentucky (859-431-8200)**  
**AppalReD Legal Aid:**  
**Eastern and South Central Kentucky (866-277-5733)**  
Find what program covers your county [here](#).
4. No matter what, show up to court at the appointed time virtually or in person.



**CHFS**  
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Cabinet for Health and  
Family Services

