

AFSCME

Retirees Bulletin

The Coronavirus, Aid, Relief, and Economic Security Act (CARES Act) What Retirees Need to Know

COVID-19 is a respiratory disease that makes it hard to breathe. Seniors and others with chronic health conditions are at higher risk of serious illness and even death from COVID-19. The public health and economic results from the rapid and growing spread of COVID-19 in our nation are significant. To respond to some of these effects on individuals, Congress swiftly passed the Coronavirus, Aid, Relief, and Economic Security Act (CARES Act). President Trump signed the CARES Act into law. This fact sheet highlights some important provisions for retirees.

Recovery Rebates for Seniors

- Everyone is eligible for a one-time rebate payment of \$1,200 (\$2,400 for married couples) and \$500 for each child under age 17 in the household provided they have a Social Security number and their household income is not too high. This includes retirees, residents of Puerto Rico, Social Security beneficiaries, retirees with government pensions and Supplemental Security Income (SSI) recipients.
- In general, to receive the full one-time rebate amount your income must be less than \$150,000 (for a married couple), \$112,500 (for heads of households) and \$75,000 (for singles). If your income is above those levels, the rebate amount is phased out. The rebate will be reduced by \$5 for every \$100 of income above these income levels. People will get no rebate if they have incomes at or above \$99,000 (individuals), \$136,500 (heads of household) and \$198,000 (married couples).
- The rebate will not change eligibility for SSI, SNAP (food assistance), Medicaid, or premium help for the Affordable Care Act, or other income-related federal programs.
- For most Americans who file federal income tax returns the rebates will be delivered automatically by the Internal Revenue Service (IRS). Where available, IRS will use electronic direct deposit in place of mailing a physical check. It is reported that most Americans should receive the rebate payments in the next two to eight weeks.
- Individuals who don't file tax returns are still eligible for a rebate but may need to take additional steps to receive their rebates. The Social Security Administration will share information for Social Security (Old-Age, Survivors, and Disability Insurance) beneficiaries with IRS to help ensure these beneficiaries receive an automatic advance payment.

Medicare changes related to COVID-19

Vaccine to Protect Against COVID-19.

Currently, there is no vaccine for COVID-19 and no one has immunity to the virus. The CARES Act requires that when a safe and effective vaccine becomes available it will be covered by Medicare Part B. It also requires that there will be no out-of-pocket costs to Medicare beneficiaries for a vaccine for COVID-19, when it is available. Medicare beneficiaries already can get lab testing for COVID-19 with no out-of-pocket costs.



- **Prescription Refills for More than a Month.**

Under the CARES Act, Medicare Prescription Drug Plans (Part D) must allow prescriptions and refills for covered drugs for up to 3 months. This change will let you keep a big enough supply of medications in case the current crisis interrupts your ability to get refills.

- **Expanding Telehealth under Medicare**

Seniors and others at a higher risk of serious illness from COVID-19 are advised to stay at home and limit travel, even to doctors' offices where there is an increased risk of exposure to COVID-19. Telehealth services are very important during this time because it is a way to see your doctor, get questions answered and get the care you need without leaving your home. Congress built upon previous COVID-19 response legislation and further expanded Medicare telehealth options for beneficiaries and providers because of the public health emergency. You can use Medicare telehealth whether you have COVID-19 or not. Deductibles and coinsurance apply to telehealth visits as they would for an in-person visit.

Call your primary care provider to see how telehealth virtual check-ins and other services would work for you.

Social Security Trust Fund Protected

The CARES Act lets employers temporarily delay payment until December 31, 2020 of their employers' share of Social Security payroll taxes. They will still owe these taxes and must pay these taxes in 2021 and 2022. In effect, the federal government is loaning these businesses funds to help them continue operating during this crisis. But this temporary change to the amount and timing of money deposited into the Social Security trust funds will not directly hurt the trust funds because the CARES Act requires general federal revenues to cover the trust funds. This will not alter people's Social Security benefits. AFSCME will remain vigilant that the Social Security trust fund is not harmed.

March 27, 2020