

**Care Economy Payments for HCBS Direct Care Workers**  
**Frequently Asked Questions**

Frequently Asked Questions (FAQs) are subject to updates and will be updated regularly. We recommend regularly monitoring the [Care Economy Payments for HCBS Direct Care Workers](#) website for updates. Please feel free to contact us at [HCBSCareEconomyPayments@dhcs.ca.gov](mailto:HCBSCareEconomyPayments@dhcs.ca.gov) if you have any additional questions.

**Eligibility**

**Q: Who qualifies for a Care Economy Payment?**

To be eligible for a Care Economy Payment, a home and community-based services (HCBS) direct care provider:

1. Must have worked for a minimum of two (2) months between March 2020 and March 2022;
2. Must currently be providing direct care HCBS; and,
3. Must have provided services through one of the following HCBS waivers/programs as the provider type listed below:

Waiver/Program	Eligible Provider Type
<a href="#">Assisted Living Waiver (ALW)</a>	<ul style="list-style-type: none"> <li>a) Nurse Case Manager</li> <li>b) Social Work Case Manager</li> </ul>
<a href="#">California Community Transitions (CCT)</a>	<ul style="list-style-type: none"> <li>a) Nurse Case Manager</li> <li>b) Social Work Case Manager</li> <li>c) Any staff providing personal care services</li> </ul>
<a href="#">Community-Based Adult Services (CBAS)</a>	<ul style="list-style-type: none"> <li>a) Nurse Care Manager</li> <li>b) Social Work Case Manager</li> <li>c) Social Worker Assistant</li> <li>d) Program Aide</li> <li>e) Activity Coordinator</li> <li>f) Social Worker Aide</li> <li>g) Nurse's Aide</li> <li>h) Activity Coordinator Aide</li> <li>i) Cook</li> <li>j) Driver (Excluding rideshare)</li> <li>k) Nutrition Services Aide</li> <li>l) Physical Therapist</li> <li>m) Physical Therapist Assistant</li> <li>n) Physical Therapist Aide</li> <li>o) Occupational Therapist</li> <li>p) Occupational Therapist Assistant</li> <li>q) Occupational Therapist Aide</li> <li>r) Speech Language Pathologist</li> <li>s) Speech Language Pathologist Aide</li> <li>t) Rehabilitation Aide</li> </ul>

<a href="#">Home and Community-Based Alternatives (HCBA) Waiver</a>	<ul style="list-style-type: none"> <li>a) Nurse Case Manager</li> <li>b) Social Work Case Manager</li> <li>c) Personal Care Services workers employed through Personal Care Agencies</li> </ul>
<a href="#">Medi-Cal Waiver Program (MCWP)</a>	<ul style="list-style-type: none"> <li>a) Nurse Case Manager</li> <li>b) Social Work Case Manager</li> <li>c) Attendant Care Provider</li> <li>d) Homemaker Provider</li> </ul>
<a href="#">Multipurpose Senior Services Program (MSSP)</a>	<ul style="list-style-type: none"> <li>a) Nurse Care Manager</li> <li>b) Social Work Case Manager</li> <li>c) Supervising Care Manager (SCM)</li> <li>d) Care Manager Aide (CMA)</li> <li>e) Site Director</li> </ul>
<a href="#">Program of All-Inclusive Care for the Elderly (PACE)</a>	<ul style="list-style-type: none"> <li>a) Nurse Care Manager</li> <li>b) Social Work Case Manager</li> <li>c) Social Worker Assistant</li> <li>d) Program Aide</li> <li>e) Activity Coordinator</li> <li>f) Social Worker Aide</li> <li>g) Nurse's Aide</li> <li>h) Activity Coordinator Aide</li> <li>i) Cook</li> <li>j) Driver (Excluding rideshare)</li> <li>k) Nutrition Services Aide</li> <li>l) Physical Therapist</li> <li>m) Physical Therapist Assistant</li> <li>n) Physical Therapist Aide</li> <li>o) Occupational Therapist</li> <li>p) Occupational Therapist Assistant</li> <li>q) Occupational Therapist Aide</li> <li>r) Speech Language Pathologist</li> <li>s) Speech Language Pathologist Aide</li> <li>t) Rehabilitation Aide</li> <li>u) Personal Care Service Workers</li> <li>v) Registered Nurses Case Manager</li> <li>w) Licensed Vocational Nurse</li> <li>x) Medical Assistant</li> <li>y) Social Workers Case Manager</li> <li>z) Home Health Assistant</li> </ul>

**Q: Does an employee have to be considered “full-time” to receive this payment?**

No. The eligibility requirements do not stipulate the number of hours an employee must have worked during the two months. Therefore, full-time, part-time, and per diem employees are eligible if they meet all other eligibility requirements.

**Q: Are employees who provided services via telehealth eligible for the payments?**

Yes. The eligibility requirements do not stipulate if the direct care services had to be provided in-person or via telehealth. The number of hours an employee must have worked during the two months. If an individual who was providing HCBS direct care services via telehealth meets the eligibility requirements, they are eligible to receive the payment.

**Q: Can an employee be eligible for BOTH the payment from Care Economy Payment for HCBS Direct Workers and [Clinic Workforce Stabilization Retention Payments \(CWSRP\)](#)?**

Yes. If an individual meets the eligibility requirements for both payment programs, they are eligible to receive payment.

**Q: What if there was a change in ownership of a provider organization since the qualifying work period? How will the application and payment process work?**

Eligible employees are entitled to payments. In the event the ownership of a provider organization changed since the qualifying work period, it is the responsibility of both the prior and new owner of the provider organization to notify DHCS and to take all actions necessary to ensure that eligible employees receive their retention payments.

**Important Dates**

**Q: What is the qualifying work period?**

For the purposes of the Care Economy Payments for HCBS Direct Care Workers, an individual must have provided direct care HCBS for a minimum of two (2) months between March 1, 2020, through March 31, 2022.

**Q: How long will the application be open?**

Provider organizations will be able to apply for the incentive payment, on behalf of their employees, on Monday June 12, 2023. The application link will be posted on the [Care Economy Payments for HCBS Direct Care Workers](#) webpage under the “Application Process” section. The application extension period will close on Friday, July 28, 2023.

**Q: What is the expected timeline for payments?**

DHCS plans to begin distributing payments in November 2023 and continue through December 31, 2023. Provider organizations must disperse the payment to their individual employees within 60 days of receipt of payment from DHCS.

**Payment Information**

**Q: How much is the payment?**

The payment is \$500 per individual if they meet the eligibility requirements.

**Q: Will there be any funds allocated to employers for payroll taxes, as well as additional administrative costs to make modifications to their payroll systems, cut additional checks, etc.?**

There are no funds allocated to provider organizations for costs associated with disbursing the Care Economy Payments, which should ultimately result in cost savings through employee retention.

**Q: Are the payments subject to payroll taxes?**

Employees and employers are also encouraged to consult a tax professional or tax attorney with questions about the tax treatment of Care Economy Payments.

**Q: Will receiving a Care Economy Payment be used in determining whether someone is a public charge?**

If you intend to apply for a Care Economy Payment and are applying for a green card, visa, or admission into the United States, consulting with an immigration or public benefits attorney will help you better understand whether the Care Economy Payment may impact your individual case.

**Q: What if I applied on behalf of an individual, but now I cannot get in contact with them?**

If the individual was considered eligible and was approved by DHCS for a Care Economy Payment, the employer should make every attempt to distribute the payment to the worker within 60 days of receipt of funds. If the employer is unable to locate the worker or deliver the payment within 60 days, the employer should return the retention payment to DHCS. DHCS will release procedures for returning payments in the next few months.

**Q: What should the employer do if an employee leaves before payment are distributed?**

The employer must make every attempt to distribute the payment. If the employer is unable to locate or deliver the payment, the employer should return the payment to DHCS in accordance with the procedures below under “Returned Check Guidance”.

**Q: When will our organization receive the funds requested?**

DHCS issued payments to HCBS direct care providers on October 27, 2023, via USPS.

**Q: Does DHCS require me, an approved employer who received funds, to payout employees in a specific way (e.g., checks, direct deposit**

DHCS does not have requirements or restrictions on how the retention payments should be distributed to employees.

**Q: Will DHCS be providing employer with 1099s? Yes, DHCS will release**

a 1099 to all approved entities in January 2024.

**Q: Do employers who received funds need to send payment to terminated employees?**

If the worker was considered and was approved by DHCS for the payment, the employer shall make every attempt to distribute the payment to the HCBS direct care worker within 60 days of the receipt of funds. If the employer is unable to locate the worker or deliver the payment within 60 days, the employer is to return the payment to DHCS in accordance with the procedures below under “Returned Check Guidance”.

**Q: Will employees be expected to return any excess funds if they receive more than one payment from another employer by mistake?**

The employee will need to report any excess of funds if they receive received more than one payment from another employer. The employer will then return the payment to DHCS in the accordance with the procedures below under “Returned Check Guidance.”

**Q: What are the tax guidelines? (New as of 12/4/2023)**

The one-time Care Economy Payment is reportable as income and subject to income and payroll taxes and deductions. For Modified Adjusted Gross Income (MAGI) Medi-Cal eligibility purpose, the Care Economy Payment is considered as taxable income.

**Application Process**

**Q: How does my organization apply for the payment on behalf of my employees?**

The application to apply for the Care Economy Payments will open on Monday June 12, 2023. The application process is through Survey Monkey and provider organizations will be required to complete and submit prior to COB Friday July 28, 2023. The application link will be located on the [Care Economy Payments for HCBS Direct Care Workers](#) webpage, under the “Application Process” section.

**Q: My organization provides services through multiple HCBS Waiver/Programs. Do I have to submit a separate application for each line of business?**

Yes. An organization that provides services through multiple HCBS Waivers/Programs will need to submit separate applications for each line of business. For example, your organization provides services through PACE and HCBA. You will need to submit an application for the PACE line of business. Once completed and submitted, you will need to complete and submit a separate survey for HCBA.

**Q: What is a Contracted Services Entity?**

A Contracted Services Entity is an organization that does not have a direct relationship with any of California’s State Agencies (e.g., DHCS, California Department of Aging,

etc.). These entities do not hold contracts with the State, but contract with HCBS provider organizations to provide services (e.g., personal care services). If you are considered a Contracted Services Entity, and do not have a National Provider Identifier (NPI), you will be required to provide the following additional information:

1. Provide name(s) of the HCBS Provider Organizations you are contracted with;
2. Upload first three (3) pages of your organization's contract with the HCBS Provider Organizations; and,
3. Identify the types of services your organization provides.

**Q: What employee information will be required in the attestation?**

Provider organizations, applying on behalf of their employees, will be required to provide the following information for each individual employee:

- First and Last Name
- Date of Birth
- Last four digits of either the employee's Social Security Number issued by the Social Security Administration or Individual Taxpayer Identification Number issued by the IRS
- Current mailing address of the eligible worker (Address, City, State, Zip Code)

**Q: I'm an employee, how do I apply for the payment?**

The application process is intended for employers to complete and requires employer-specific information. The application is NOT intended for employees to complete for themselves. If you are an employee interested in this payment, we recommend sharing the [website](#), associated resources, and purpose of this payment with your employer. DHCS does not intend to make Care Economy Payments directly to individual workers.

**Q: Does DHCS envision a process for eligible workers to receive payment if their employer refuses to submit an attestation for the Care Economy Payment?**

No, DHCS does not intend to make payments to individual eligible workers without the attestation from their provider organization.

**Q: Do employers have to apply for Care Economy Payments?**

Employers are not legally required to apply for Care Economy Payments on behalf of their eligible workers/employees. However, it is encouraged and is intended to help stabilize and maintain California's HCBS workforce and manage the impacts of the COVID-19 pandemic.

**Q: For application data to be submitted to DHCS, do we need to include the Social Security Number (SSN) of each eligible worker?**

Provider organizations will be asked to include the last 4-digits of their SSN, or the worker's individual Taxpayer Identification Number issued by the Internal Revenue Service.

**Q: Is there a template for submitting staff information?**

Yes, a template will be provided to provider organizations to submit information on behalf of eligible workers.

**Q: Will worker information included in the application be shared with anyone?**

Worker names and information are collected solely for determining eligibility for Care Economy Payments. State laws protect the privacy of worker information, which will not be shared with anyone for purposes other than validation, nor posted on the DHCS Care Economy Payment webpage.

**Returned Check Guidance**

As an HCBS direct care provider, if you received direct care payment funds that could not be distributed within the allowed 60 days (i.e., unable to locate worker, received funds for an ineligible worker, etc.), please return the funds to DHCS. Employers must return and report to DHCS any undistributed funds within 90 days from DHCS as follows:

- HCBS direct care provider shall send one, lump sum check.
- When returning funds, please note “CEP” within the memo of the check.
- Along with the check, please include:
  - CEP application number found on the payment report.
  - A list of the individual employee names and dates of birth for the funds being returned.
- Check and supporting documentation should be returned certified mail to the following address:

Department of Health Care Services  
ATTN: Cashier Receipt's Unit  
Mail Stop 1101  
P.O. Box 997415  
Sacramento, CA 95899-7415