

WHAT'S IN THE ECONOMIC STIMULUS PACKAGE FOR YOU?

You've heard about how President Obama's economic stimulus package will help construction workers get jobs building roads, and spur the growth of alternative energies. But what about you? Good news: "There are lots of different pieces of this legislation that will help seniors," says David Certner, the legislative policy director at AARP. We spoke with Certner, and with Mary Johnson of the Senior League, to uncover the benefits that will have the most impact.

Spending money.

Under the law, if you get Social Security benefits, Supplemental Security Income, disability benefits or disabled veterans benefits, you will get a one-time \$250 payment. Same goes if you are a railroad retirement beneficiary or a federal or state government retiree who does not qualify for Social Security payments. No need to do anything. The money will arrive via the agency you usually deal with.

More pay.

Thinking of going back to work? Well, you could be getting a "raise." The bill's "Making work pay refundable tax credit" allows for a payroll credit worth 6.2% of earned income up to \$400 for individuals and \$800 for spouses filing jointly in 2009 and 2010. (The benefit phases out for incomes above \$75,000 for individuals and \$150,000 for married couples, and if you got a \$250 stimulus check, expect that amount to be subtracted from your payroll credit.)

Food assistance.

For those who get food stamps or help from services such as Meals On Wheels, the new law has apportioned \$20 billion to shore up those programs. That will go a long way to ensuring that they continue running in these tough times.

Medicare Payments. If you receive Medicare benefits and your income is slightly above the poverty level, you may qualify for financial assistance that will pay your monthly Medicare premiums (\$96.40 for 2009).

Support for long-term care. The law provides \$87 billion to states, and while the law does not stipulate how states should distribute the money, Certner says much of it will go toward preserving healthcare programs, such as long-term care. They are usually the first services states cut back on when they're strapped for cash.

Energy cost cuts. Paying for heat and air-conditioning can really eat into your income. The law boosts weatherization programs so you can have someone insulate and weatherize your home to trim your energy bills. Contact your state's weatherization program office or the U.S. Department of Energy to find out more.

Unemployment help. Anyone who has lost a job will now have more of a financial cushion, thanks to the law's provisions for the unemployed. First, the unemployment benefits extension that was set to expire in March 2009 has been extended to the end of the year. Those receiving unemployment benefits that are about to expire will get seven more weeks of payments, and if you're in a state with a high unemployment rate, you will get an additional 13 weeks or more of benefits. Everyone on unemployment will get an extra \$25 per check. In addition, for those who are laid off and purchase COBRA health insurance through their employer, the government will pick up 65% of the tab for nine months.

Reverse mortgage perks. If you're thinking about getting a reverse mortgage (you draw monthly payments from a lender based on the equity in your home, with the lender typically owning your home eventually), you can now tap up to \$625,000 of equity in your home, as opposed to \$417,000 last year. Be aware, though, that reverse mortgages are costly: Over time, you could pay as much as 10% of your home value in total fees. These benefits should help take a bite out of the tough economic times for retirees. But as Certner points out, the biggest boost for older Americans from the stimulus package will be if it helps jumpstart the economy. Why? Because that in turn will help the stock market rebound and

provide better returns for retirees, many of whom depend on their investments for income. In the meantime, you can take advantage of the benefits listed above (and ask about other assistance that may be available to you), by contacting the appropriate state agency or the Agency on Aging in your state.

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