



State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
Governor

January 2, 2012

Medi-Cal Eligibility Division Information Letter No.: I 12-01

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY WELFARE ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL COUNTY MEDS LIAISONS

SUBJECT: FEDERAL EARNED INCOME TAX CREDIT (EITC) NOTIFICATION
EFFECTIVE JANUARY 2012

The purpose of this letter is to inform counties about the passage of Assembly Bill (AB) 509 (Chapter 452, Statutes of 2011), which requires the Department of Health Care Services (DHCS) to inform Medi-Cal beneficiaries that they may be eligible for the federal EITC.

In the past, California law has required an employer to notify all employees that they may be eligible for EITC. With the passage of AB 509, selected state departments that provide services to low-income individuals and families must also issue notification about eligibility for the federal EITC at least once per year during “tax months” (January through April) to certain clients. AB 509 further requires that the state departments’ EITC notification be substantially the same language that is outlined in Section 19854 of the Revenue and Taxation Code.

To respond to this new requirement, DHCS will include the enclosed English/Spanish flyer “Important Notice to Medi-Cal Families” in the quarterly Jackson vs. Rank mailing that will be sent during January and February 2012, to more than 4 million Medi-Cal households.

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As a reminder, in accordance with ACWDL No. 11-17 issued April 22, 2011, by DHCS, instruction has been provided to counties regarding treatment of federal tax credits and refunds subsequent to passage of H.R. 4853, Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act, Public Law No. 111-312.

If you have any questions, please contact Andrea Mack at (916) 341-3968 or by e-mail at Andrea.Mack@dhcs.ca.gov.

René Mollow, MSN, RN, Chief
Medi-Cal Eligibility Division

Enclosures



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Important Notice to Medi-Cal Families

You may qualify for the Earned Income Tax Credit (EITC) on your 2011 tax return

Based on your annual earnings, you may be eligible to get the earned income tax credit from the federal government. The earned income tax credit is a refundable federal income tax credit for low-income working individuals and families.

The earned income tax credit has no effect on certain welfare benefits. In most cases, earned income tax credit payments will not be used to determine your eligibility for Medi-Cal, supplemental security income, food stamps, low-income housing or payments for temporary assistance for needy families.

You must file a tax return to get the earned income tax credit, even if you do not owe federal taxes. Be sure to fill out the earned income tax credit form in the federal income tax return booklet.

To find out if you can get the earned income tax credit, including information on how to obtain the IRS Notice 797, or any other necessary forms and instructions, contact the Internal Revenue Service at 1-800-829-3676 or through its web site at www.irs.gov



Aviso importante para las familias de Medi-Cal

Es posible que usted reúna los requisitos para obtener el crédito del impuesto sobre ingresos del trabajo (Earned Income Tax Credit, EITC) en su devolución de impuestos de 2011

Con base en sus ganancias anuales, es posible que usted sea elegible para obtener el crédito del impuesto sobre ingresos del trabajo del gobierno federal. El crédito de impuesto sobre ingresos del trabajo es un crédito del impuesto federal sobre ingresos reembolsable para individuos y familias que trabajan y reciben bajos ingresos.

El crédito del impuesto sobre ingresos del trabajo no tiene efecto sobre ciertos beneficios de asistencia social. En la mayoría de los casos, no se utilizarán los pagos del crédito del impuesto sobre ingresos del trabajo para determinar su elegibilidad para Medi-Cal, ingresos de seguridad complementarios, cupones para alimentos, viviendas para las personas con bajos ingresos o para pagos de asistencia temporal para familias necesitadas.

Usted debe presentar una devolución de impuestos para obtener el crédito del impuesto sobre ingresos del trabajo, aun si no debe impuestos federales. Asegúrese de llenar el formulario de crédito del impuesto sobre ingresos del trabajo en el folleto de devolución del impuesto federal sobre ingresos.

Para saber si usted puede obtener el crédito del impuesto sobre ingresos del trabajo y obtener la información sobre cómo obtener la Notificación 797 del Servicio de Impuestos Internos (Internal Revenue Service, IRS), o cualquier otro formulario o instrucciones necesarios, comuníquese con el Servicio de Impuestos Internos al 1-800-829-3676 o a través de su página de Internet en www.irs.gov.