



DAVID MAXWELL-JOLLY  
*Director*

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



ARNOLD SCHWARZENEGGER  
*Governor*

April 27, 2009

To: ALL COUNTY WELFARE DIRECTORS Letter No.: 09-21  
ALL COUNTY ADMINISTRATIVE OFFICERS  
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIASONS  
ALL COUNTY HEALTH EXECUTIVES  
ALL COUNTY MENTAL HEALTH DIRECTORS

Subject: 2009 AMERICAN RECOVERY AND REINVESTMENT ACT  
SPECIAL CREDIT FOR **CERTAIN** GOVERNMENT RETIREES

The purpose of this letter is to provide instructions to the counties regarding a portion of the American Recovery and Reinvestment Act (ARRA) of 2009 signed by President Barack Obama on February 17, 2009.

Title II, Section (§) 2202 of the ARRA, allows retirees who were under the employ of the United States or any State, or any instrumentality thereof, a credit against the tax imposed by subtitle A of the Internal Revenue Code of 1986, for the first taxable year beginning in 2009, in the amount of \$250 (two hundred fifty dollars) for each individual eligible for the credit/refund; \$500 (five hundred dollars) in the case of a joint return where both spouses are eligible for the credit/refund.

Any credit or refund allowed or made pursuant to Title II, §2202(d) of the ARRA, shall not be taken into account as income or resources for the month of receipt and for the following 2 months for the purposes of determining Medi-Cal eligibility or share-of-cost (SOC).

Effective immediately, applicants or beneficiaries who report the receipt of tax credits/refunds must be asked whether all or part of their payment was a credit/refund as described above. The applicant/beneficiary shall be required to provide verification sufficient to document the reason for the credit/refund.

Counties shall rescind any discontinuance, denial or SOC Notice of Action (NOA) issued as they become aware of any case that was adversely affected as a result of the delay in implementing this provision of the ARRA. Counties shall then retroactively redetermine eligibility and SOC as appropriate and reissue NOAs.

If you have any questions, please contact Mr. Pritesh Mogera, of my staff, at (916) 552-9462 or via e-mail at [pmogera@dhcs.ca.gov](mailto:pmogera@dhcs.ca.gov)

Original Signed By

Vivian Auble, Chief  
Medi-Cal Eligibility Division