

RMD Bulletin

Knowledge is power...



All Federal Benefits Will Be Paid Electronically!! Be Paid Electronically!!

The U.S. Department of the Treasury recently announced a new rule requiring all federal benefit and non-tax payments to be paid electronically. Anyone applying for Social Security, Veterans' Affairs (VA), or other federal benefits will receive their payments electronically starting with their first payment. Anyone currently receiving federal benefit checks must switch to an electronic payment option by **March 1, 2013**. People already receiving benefit payments electronically do not need to take action. They will continue to receive their payment as usual on the payment day.

Benefit recipients can choose to receive their payments by **direct deposit** to a bank or credit union account of their choice or to a **Direct Express® Debit MasterCard®** card account. Those who do not choose an electronic payment option at the time they apply for federal benefits or those who do not switch by the deadline will receive their benefit payments via the **Direct Express®** card, so they will not experience any interruption in payment.

This new requirement will ensure that senior citizens, people with disabilities, veterans, and others will receive their money in a faster, safer, and more reliable way than paper checks. Plus, electronic payments save taxpayer dollars and are better for the environment.

Help Your Clients Take Action Today!

□ **Have a bank or credit union account?** The U.S. Treasury Electronic Payment Solution Center's toll-free helpline and website give Americans who have checking or savings accounts a fast, easy way to switch. With **direct deposit**, the Treasury Department sends an electronic message to your bank or credit union account on your usual payment day with the exact amount of your benefit payment from Social Security, VA or other federal agency. The money goes straight into the recipient's account each month, *on time, every time*. To sign up, have clients go to www.GoDirect.org, call (800) 333-1795, or visit their local bank or credit union.



□ **Prefer a prepaid debit card?** The **Direct Express®** card provides a safe, low-cost alternative to paper checks for federal benefit payments. Funds on the **Direct Express®** card are Federal Deposit Insurance Corporation (FDIC) insured (up to \$100,000). Cardholders may use the card to make retail purchases, pay bills, and get cash back. No bank account or credit check is required. To sign up for the card, or to learn about its fees and features, have clients go to www.GoDirect.org, call (800) 333-1795, or contact their local Social Security, VA, or other federal agency office.

We're here to help you...

If you have any questions or require further information, please do not hesitate to contact RMD at (213) 480-3444 or RevenueManagement@dmh.lacounty.gov.