



## Difficulty of Care Federal Income Exclusion Instructions

You may be eligible for a *Difficulty of Care (DOC) Federal Income Exclusion* if you meet the criteria listed in this section. If you are eligible for this exclusion, Federal Income Tax will not be withheld from your Difficulty of Care Payments.

### Applying for a Difficulty of Care Federal Income Exclusion

Public Partnerships LLC (PPL) does not make a determination if you are eligible for this income exclusion. Upon receipt of a properly completed form, PPL will begin to exclude Federal Income Tax for any payments eligible for the DOC exclusion. This may take 1-2 pay periods to be applied. A properly completed form includes:

- All three boxes checked in STEP 2
- Signature and Date

In order to assist you in determining if you are eligible, please review the information on PPL’s training website at: <http://publicpartnerships.com/programs/washington/IPOne>

Or IRS FAQs at: <https://www.irs.gov/individuals/certain-medicare-waiver-payments-may-be-excludable-from-income>

Section A: Applying for Difficulty of Care Federal Income Exclusion	
<p>Certain payments you (Individual Provider) receive for providing personal care services funded by Medicaid in the same home as your client are considered Difficulty of Care payments and are not subject to Federal Income Tax (FIT) deductions. If you do not have to pay federal income tax, WA IPOne through Public Partnerships will not report your pay as income, and you will not have to pay FIT on qualifying payments.</p>	
<p><b>STEP 1:</b> Review information regarding the Difficulty of Care Federal Income Exclusion. Information is available on Public Partnerships’ website at <a href="http://publicpartnerships.com/programs/washington/IPOne">http://publicpartnerships.com/programs/washington/IPOne</a></p>	
<p><b>STEP 2:</b> If you qualify for the Difficulty of Care income exclusion the following 3 boxes must apply and be checked:</p>	
<p><input type="checkbox"/> I provide services to my client in the same home where the client also lives. (NOTE: The client receiving care must live in the same home as the individual provider. It does not matter who owns or rents the home.)</p>	
<p><input type="checkbox"/> I do not live in a different home from my client.</p>	
<p><input type="checkbox"/> This is the home where I live and have regular meals, daily life, and holidays with family.</p>	
<p>▪ All the above must apply to be eligible for the Difficulty of Care Federal Income Exclusion.</p>	
<p><i>Under penalties of perjury, I declare that I am an Individual Provider receiving payments under a state Medicaid Home and Community-Based Services program. I live in the same home with, and I provide personal care services to, the client listed at the top of this form.</i></p>	
Individual Provider Signature: _____	Date: _____