

LIFE PATTERNS INC.

Life Patterns Lowdown

In this issue:

- New W-4 Forms
- Notice 2014-7
- Advocacy Day
- Annual Anti-fraud information
- Excess Funds
- AuthentiCare App
- President's Day

The IRS Has Changed the W-4

The W-4 is the document your employees complete so that Life Patterns can determine how much federal income tax to deduct from their paychecks. The IRS has not changed the W-4 for approximately three decades. In an effort to simplify the form and increase transparency and accuracy of the withholding process, the IRS has changed the form. Instead of completing worksheets, employees will answer questions. What this means is that for employees completing the new form is that their withholding per check will be – more money in their pocket during the year, but their refund will be less as well.

What's changed? The old form used allowances that were tied to exemptions (or the amount of money that was taken out of the tax calculation). Exemptions were taken out in the Tax Cuts and Jobs Act (you probably noticed this last year when you prepared your own tax returns). The new way looks at income from multiple jobs (and spouse's work, if applicable), accounts for dependents and other adjustments (any itemizations).

Current employees are NOT required to complete a new form, unless they would like to. New employees should use the new form. Although it is meant to be simplified, it is a little intimidating and employees should discuss with their tax preparer on how they should complete the form. The only information required by Life Patterns will be the status (Step 1) and a signature.

Notice 2014-7 and the *Feigh v Commissioner of Internal Revenue*, a U.S. Tax Court Case.

As you prepare your 2019 tax returns, please be aware of the following changes to Notice 2014-7. As many of you know, Notice 2014-7 is an IRS notice that expanded the interpretation of difficulty of care (DOC) payments to include workers in Medicaid waiver programs who live full-time with the care recipient. DOC payments are excluded from federal income and therefore are not subject to Federal Income Tax.

In May 2019, the U.S. Tax Court decided the *Feigh v. Commissioner of the IRS* case. The federal court tax judge ruled that the IRS cannot prohibit DOC payments from being counted as earned income for purposes of the Earned Income Tax Credit. This is a major change in IRS policy, payments that had been classified as DOC could not be included toward the EITC.

The direction that Life Patterns has received from the IRS and Applied Self-Direction is that the determination of DOC payments are the responsibility of the worker to claim and Life Patterns does not exclude the income on the worker's W-2. Only the worker can be sure whether he/she is eligible for difficulty of care classification. If you would like to change your withholding to be in-line with Notice 2014-7 so that taxes are not withheld, please submit an updated W-4.

Advocacy Day

Many of the policies put in place by our legislators effect the way services are received and used. Make your voices heard, by our legislators, by attending Advocacy Day on March 25th at the Topeka Capitol Building. This is an opportunity to speak with our Kansas legislators; provide your input for HCBS services and the policies implemented for Kansas. Let your voices be heard!

SAFEGUARDING INDIVIDUALS WITH DISABILITIES AND MEDICAID RESOURCES

Medicaid Fraud is a crime. Each of us: parents, guardians/family members, and direct support workers of people with disabilities have a duty and responsibility to prevent and detect fraud and ensure that the plan of care funds are used in the best interest of the individual with a disability. Life Patterns takes fraud and abuse seriously and has established policies regarding Medicaid Fraud Prevention and Detection and Abuse, Neglect, and Exploitation. These policies are provided to each new employee upon hire and are also located on our website: www.lifepatternsks.org.

Examples of fraud are:

- Submitting or calling in time when not working
- Submitting or calling in time using someone else's name or ID number
- Doing unauthorized, or not doing, the tasks required
- Knowingly submitting false information
- Double-billing, or billing both Medicaid and another provider

Examples of Abuse, Neglect, and Exploitation are:

- Any act, or failure to act, that is likely to cause harm
- Failure or omission to provide goods or services reasonably necessary to ensure safety and well-being
- Misappropriation of an adult's property, or intentionally taking unfair advantage of physical or financial resources
- Taking or appropriating money or property for any use of purpose not in the due and lawful execution of an adult's trust.

In addition to the Medicaid Fraud and Abuse, Neglect, and Exploitation policy, Life Patterns also has a Whistleblower Protection Policy and complies with the Federal Deficit Reduction Act of 2005, Section 6032 and Kansas Medical Assistance Program, Section 5900. These policies are also located on our website. Please take time to familiarize yourself with these policies and do not hesitate to contact us if you have any questions or concerns.

EXCESS FUNDS

Any excess funds were paid out for 2019 (along with the regular paychecks) on Tuesday, December 31st, 2019. Note: only current workers are eligible to receive any of the excess dollars.

If you have any questions regarding the excess funds, please call your respective office.

Southwest office: 620-846-2658

Topeka office: 785-273-7189

Office Hours

Life Patterns will be closed on Monday, February 17th for **President's Day**.

AuthentiCare App for Smartphones

As stated in the previous newsletter, workers now have the option to clock in and out *using their own phones*, with the **AuthentiCare 2.0** mobile app!

With the app, workers will also have access to a calendar that allows them to view any shifts they have completed, past and present, and it also lets them see if there are any pending clock ins/outs for any shifts. The system will **always** track the location in which the worker clocks in and out; which we monitor in our office to ensure accuracy. Also, if the worker is logged into the app, and doesn't have service upon check in or out times, the app will store their times until they enter a location that has service. That data will then be pushed to AuthentiCare and record their times.

If your workers are interested in trying the AuthentiCare app, they will need to go to our website, www.lifepatternsks.org.

From the home screen, scroll down to where it says "Introducing the AuthentiCare 2.0 Mobile App." There is a link to a form for workers to complete to request access to use the app!

If you get a new phone, even if you keep the same phone number as your old phone, you will need to send us the new phone's Device ID number. Each phone has its own *unique* Device ID, so the app will not work if we don't have the correct Device ID in the AuthentiCare system.