

## Important Information about the 1099 from your Medicare Intermediary

The 1099 form from your Medicare Intermediary (Palmetto GBA, NGS, CGS) shows in box 6 the total amount reported to the IRS that was paid to your agency from January to December for the ended year. You must verify if this amount matches the total amount of payments received in the same period to avoid paying taxes on any amount in excess reported to the IRS.

If there are discrepancies, between the amount reported on your 1099 and the total amount of payments received, you may send a request to your Medicare payer (Palmetto GBA) before March 15 of the actual year, but be aware that if you had any offset activity, contractual allowances, adjustments, or refunds for overpayments during the reporting year, the amount reported on the 1099 and the total amount of payments received **will not match**. In this case the IRS recommends reporting the discrepancy as an adjustment on your tax return to ensure that your taxable income will not be overstated.

On the tax return is recommended to report the total amount from the 1099 as **Gross Income** and the discrepancy as **Returns and allowances**. This will avoid future IRS notices and reduce the risk of being audited. Click on the link below to see a sample of the letter sent by Palmetto to Medicare providers alleging discrepancies in the 1099 form.

**Palmetto GBA providers to report discrepancies, changes in your information, or to request a copy of your 1099 you may go to:**

<http://www.costreportcpa.com/resources>

When completing the form on **Line of Business**, select **RHHI** from the menu for Home Health Agencies.

**Please ensure to include in your request the following items:**

- A **1099 Request Form** above with all the required information.
- Copy of the ended year 1099 Form mailed to you by Palmetto GBA (If available)
- A complete W-9 Form <http://www.irs.gov/pub/irs-pdf/fw9.pdf>.

NGS providers please visit: <http://www.ngsmedicare.com/wps/portal/ngsmedicare/home>

CGS providers please visit: <http://www.cgsmedicare.com/hhh/index.html>



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