



Payments to Research Participants – Payments to research participants include stipends for participating in studies and direct payments for expenses of study participation, such as travel reimbursements. VHF support letters must be submitted to VHF Administration along with a copy of the final approved budget. Documentation of the research project approval by the Institutional Review Board (IRB) is also required before issuing payment to a research subject. Payment will be made in accordance with an IRB approved informed consent document. Subject stipends are taxable income. All subjects will be required to complete a W9 form. VHF is required to report stipend payments totaling \$600 or more in a calendar year and will issue IRS form 1099 to qualifying payees. VHF has adopted the ClinCard subject compensation system which provides pre-paid credit cards to patients in lieu of check payments. This system provides faster compensation to the subjects and enables better reporting and oversight of the compensation procedures. All VHF administered projects must utilize the ClinCard system; however, there are circumstances in which check payments may be authorized (e.g. one-time payments, studies in which the subjects are never seen at the site). Use of check payments requires prior approval by the ED. Requests for a check payment must be made to the VHF office by completing the “*Participant Check Payment Request*” form. PIs may approve each request or assign a designee as approver of payment requests.

Participant Payment FAQs

What are the kinds of participant payments?

Participant payments generally fall into one of two categories: stipends and reimbursements. Stipends are payments to compensate a participant for time and effort. Reimbursements are payments to compensate for expenses incurred as part of study participation.

What kinds of expenses are eligible for reimbursement?

Travel expenses: airfare, ground transportation, mileage, lodging, per diem and car rental (in limited circumstances). Clinical expenses such as copays may be reimbursed in certain circumstances with prior approval of the Executive Director.

What kinds of payments are taxable?

Participant stipends are taxable income. Fully documented cost reimbursements are not taxable. The IRS requires that a completed W-9 be on file for independent contractors or

vendors/suppliers, attorneys, health and medical services, service individuals, or individuals receiving honorariums, stipends, awards, gifts, prizes, rentals, stipends, and royalties before payments are issued. The completed W-9 must be included with the consent package and submitted with the initial payment request. The social security number or tax I.D. must be completed on the form. Missing documentation, signatures or account information will delay payment. VHF utilizes the Internal Revenue Service's Form 1099 to record payments of honorariums, stipends, awards, gifts, prizes, rentals, and royalties. It is also utilized to report service by independent contractors or vendors that are not incorporated, and individuals not employed with the Foundation. Since the 1099 recipient is not an employee, the Foundation is not obligated to withhold any deductions. This 1099 income is reported to the IRS if it exceeds \$600 in a calendar year. The individual will be obligated to make his or her own tax deductions and forward such payments to the IRS. These forms are mailed annually in January. If the payee has not received their form by the middle of February, please contact the Operations Manager.

If a participant's payments are not expected to total \$600 in a calendar year, do they still need to submit a W-9?

Yes

If a participant is only receiving reimbursement, do they still need to submit a W-9?

Yes

What kinds of payments require documentation by sales receipt?

All travel reimbursement requests must be supported by sales receipts except personal car mileage and per diem. Personal car mileage must be documented by mapping program. If reimbursing mileage in ClinCard, this is automatically calculated.

Who needs to receive copies of receipts pertaining to reimbursement requests?

When reimbursing a participant via ClinCard, receipts supporting reimbursement amounts may be uploaded into ClinCard when reimbursement is requested. Reimbursements will not be approved until matching receipts are uploaded. If requesting reimbursement by check, receipts must be attached to the request.

How will a participant receive payment?

All VHF-administered projects must use the ClinCard system except in limited pre-approved circumstances. Participants receive their payments on a reloadable debit card that may be used for purchases or cash.

How can I request participant payments by ClinCard?

Each project must have a Site Coordinator who is registered with the ClinCard system to request participant payments. For research studies, the Site Coordinator must be an IRB-approved study staff member. Requests to register Site Coordinators may be emailed to the Operations Manager or Grants and Contracts Manager. The Operations Manager will provide the Site Coordinator with non-activated cards for distribution to participants as needed. The Site Coordinator will register each participant on the Greenphire/ClinCard website and assign the corresponding card number. Payments may be loaded onto the card in amounts and at timepoints specified in the approved VHF Financial Letter of Support.

What information do I need to register a participant with ClinCard?

The following information is required to register a participant with ClinCard:

Subject ID (does not have to be the same as participant ID used for the study)

Name

Initials

Address

Date of Birth

Social Security Number

How long does it take for the ClinCard payment to become available?

Payments are approved and available for use within 1-3 business days of request.

How do I obtain IRB approval to pay participants with ClinCard?

- The following language should be added to your research consent forms:

In order to provide you with your payment, you will receive a Greenphire ClinCard. The Greenphire ClinCard is a MasterCard Debit Card and can be used anywhere MasterCard is accepted. In order to receive your compensation via the ClinCard, we will need to send Greenphire your name, date of birth, address and social security number. [Also indicate if Participant ID will be shared.] If you receive more than \$600 in a calendar year from participation in Veterans Health Foundation studies, an Internal Revenue Service (IRS) Form 1099 will be generated and payments will be reported to the IRS as income and your social security number will be used for this purpose. This does not include the amount that you are reimbursed for travel expenditures. [Last sentence optional depending on whether reimbursement is requested.]

- Greenphire/ClinCard should be listed as payment method in Section 10.5 of your IRB protocol.

- Greenphire/ClinCard and Veterans Health Foundation should be listed in your HIPAA Authorization as entities that may receive personally identifiable information.
- A VHF Financial Letter of Support must be uploaded and approved with your IRB submission.

Where can I find out more information about ClinCard?

Participants and Site Coordinators can log into the Greenphire/ClinCard website (www.clincard.com) to access user manuals and Frequently Asked Questions.

In what circumstances may a check be issued for participant payment?

Payment by check may be authorized in certain circumstances (e.g., one-time payments, studies in which participants are never seen in person).

How can I request a participant payment by check?

Use of check payments requires prior approval by the Executive Director. Requests for a check payment must be made to the VHF office by completing the "*Participant Check Payment Request*" form and submitting along with the participant's W-9. PI's may approve each request or assign a designee as approver of payment requests.