

Large Employers

2015 EMPLOYER REPORTING REQUIREMENTS UNDER THE ACA

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Today's Agenda

- Overview
- 2015 Requirements
- Delivery Requirements
- What to Collect
- Penalties
- Action Items



Overview

Under the ACA, the federal government, state governments, insurers, employers, and individuals share responsibility for improving the quality and availability of health insurance coverage in the United States

Individual Mandate

- Beginning in 2014, for each month of a calendar year (CY), individuals must:
 - Have MEC;
 - Qualify for an exemption; or
 - Pay a tax when filing individual tax returns
- Applies to all U.S. citizens, residents, and resident aliens unless an exemption applies
- MEC Reporting (Code 6055)

Employer Mandate

- Beginning in 2015, ALEs may face penalties when one FTE receives subsidized coverage in a Marketplace and the employer:
 - Does not offer the FTE and children to age 26 MEC; or
 - Offers unaffordable or non-minimum value (MV) MEC
- 4980H Reporting (Code 6056)



Overview

Beginning with calendar year (CY) 2015, *applicable large employers (ALEs)*, those with 50 or more *full-time employees (FTEs)*, must use Forms 1094-C and 1095-C to report the information required under Internal Revenue Code (Code) sections 6055 and 6056 about offers of *minimum essential coverage (MEC)* and enrollment in MEC by employees

These forms are used by the IRS to determine whether:

- A large employer owes a penalty payment under the employer mandate,
- An employee is eligible for subsidies to purchase coverage in the Marketplace, and
- An individual has MEC in order to avoid a penalty tax under the individual mandate



Overview

Minimum essential coverage (MEC) is the technical term for most types of health insurance coverage under the Affordable Care Act (ACA)

It includes employer sponsored group health plan coverage, Medicare, Medicaid, and individual health insurance coverage

MEC does not include excepted benefits (e.g., dental, vision, health FSA)

For 6055/6056 reporting purposes, MEC is health coverage under an eligible employer sponsored group health plan (insured or self-insured)



Small vs. Large Employer

Applicable large employers use Form 1094-C and 1095-C to report information about offers of minimum essential coverage and enrollment in such coverage

An employer needs to determine small or large employer status to understand responsibilities with respect to the forms

Small Employer

- An employer that had **fewer than 50** FTEs (including full-time equivalent employees) in the preceding calendar year

Applicable Large Employer (ALE)

- An employer that had **50 or more** FTEs (including full-time equivalent employees) in the preceding calendar year
 - Employers eligible for 50-99 FTE transition relief must still complete reporting for CY 2015
- Controlled group rules apply – all employees in a controlled group are taken into account to determine large employer status



2015 Reporting Requirements

Large employers (those with 50 or more full time equivalent employees) must complete, distribute, and file these forms beginning in early 2016 for CY 2015

	What to complete?	When? *
Large employer with an insured health plan	All applicable parts of Form 1094-C Parts I and II of Form 1095-C for each FTE	Forms 1095-C must be furnished to each FTE by Feb. 1, 2016 for CY 2015 Form 1094-C and all Forms 1095-C must be furnished to the IRS by Feb. 29, 2016 to (unless filing electronically, then Mar. 31, 2016)
Large employer with a self-insured health plan (Note, small employer self funded plan must issue 1095-B to covered persons)	All applicable parts of Form 1094-C All parts of Form 1095-C for each FTE and each covered employee/individual	Forms 1095-C must be furnished to each FTE and each covered employee/individual by Feb. 1, 2016 Form 1094-C and all Forms 1095-C must be furnished to the IRS by Feb. 29, 2016 (unless filing electronically, then Mar. 31, 2016)

* For 2015, because January 31, 2016 and February 28, 2016 fall on a Sunday, the forms are due by February 1, 2016 and February 29, 2016 respectively



The "C" Forms

1095-C Employer-Provided Health Insurance Offer and Coverage VOID CORRECTED **2014**

Department of the Treasury Internal Revenue Service

OMB No. 1545-0047

Information about Form 1095-C and its separate instructions is at www.irs.gov/1095c.

Part I Employee **Applicable Large Employer Member (Employer)**

1 Name of employee 2 Social security number (SSN) 7 Name of employer 8 Employer identification number (EIN)

3 Street address (including apartment no.) 9 Street address (including room or suite no.) 10 Contact telephone number

4 City or town 5 State or province 6 Country and ZIP or foreign postal code 11 City or town 12 State or province 13 Country and ZIP or foreign postal code

Part II Employee Offer and Coverage

14 Table of Coverage (enter required codes)

All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
15 Employee Share (if covered under Minimum Essential Coverage)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
16 Applicable Section 4980H Rate (if self-insured plan)												

Part III Covered Individuals

If Employer provided self-insured coverage, check the box and enter the information for each covered individual.

(a) Name of covered individual	(b) SSN	(c) DOB (if SSN is not available)	(d) Covered all 12 months	(e) Months of Coverage											
				Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
17			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1094-C Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns CORRECTED **2014**

Department of the Treasury Internal Revenue Service

OMB No. 1545-0051

Information about Form 1094-C and its separate instructions is at www.irs.gov/1094c.

Part I Applicable Large Employer Member (ALE Member)

1 Name of ALE Member (Employer) 2 Employer identification number (EIN)

3 Street address (including room or suite no.) 4 City or town 5 State or province 6 Country and ZIP or foreign postal code

7 Name of person to contact 8 Contact telephone number

9 Name of Designated Government Entity (only if applicable) 10 Employer identification number (EIN)

11 Street address (including room or suite no.) 12 City or town 13 State or province 14 Country and ZIP or foreign postal code

15 Name of person to contact 16 Contact telephone number

For Official Use Only

17 Reserved

18 Total number of Forms 1095-C submitted with this transmittal

Part II ALE Member Information

19 Is this the authoritative transmittal for this ALE Member? If "Yes," check the box and continue. If "No," see instructions

20 Total number of Forms 1095-C filed by and/or on behalf of ALE Member

21 Is ALE Member a member of an Aggregated ALE Group? Yes No

If "No," do not complete Part IV.

22 **Certifications of Eligibility (select all that apply):**

A. Qualifying Offer Method B. Qualifying Offer Method Transition Relief C. Section 4980H Transition Relief D. 98% Offer Method

Under penalties of perjury, I declare that I have examined this return and accompanying documents, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature _____ Title _____ Date _____

Form 1094-C (2014)

- 1094-C – Transmittal Form – used to report to the IRS summary information for each employer and to transmit all Forms 1095-C <http://www.irs.gov/pub/irs-pdf/f1094c.pdf>
- 1095-C – reports information about each FTE; also provides information on employees and family members covered by the self-insured plan <http://www.irs.gov/pub/irs-pdf/f1095c.pdf>
- Instructions to “C” Forms <http://www.irs.gov/pub/irs-pdf/i109495c.pdf>



Form 1094-C

Form **1094-C** **Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns** CORRECTED

Department of the Treasury Internal Revenue Service **2014** OMB No. 1545-2251

► Information about Form 1094-C and its separate instructions is at www.irs.gov/1094c.

Part I Applicable Large Employer Member (ALE Member)

1 Name of ALE Member (Employer)		2 Employer identification number (EIN)
3 Street address (including room or suite no.)		
4 City or town	5 State or province	6 Country and ZIP or foreign postal code
7 Name of person to contact		8 Contact telephone number
9 Name of Designated Government Entity (only if applicable)		10 Employer identification number (EIN)
11 Street address (including room or suite no.)		
12 City or town	13 State or province	14 Country and ZIP or foreign postal code
15 Name of person to contact		16 Contact telephone number
17 Reserved		
18 Total number of Forms 1095-C submitted with this transmittal		

Part II ALE Member Information

19 Is this the authoritative transmittal for this ALE Member? If "Yes," check the box and continue. If "No," see instructions

20 Total number of Forms 1095-C filed by and/or on behalf of ALE Member

21 Is ALE Member a member of an Aggregated ALE Group? Yes No
If "No," do not complete Part IV.

22 Certifications of Eligibility (select all that apply):

A. Qualifying Offer Method B. Qualifying Offer Method Transition Relief C. Section 4980H Transition Relief D. 98% Offer Method

Under penalties of perjury, I declare that I have examined this return and accompanying documents, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature Title Date





1094-C Part I

Form **1094-C**

Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns

CORRECTED

120115

OMB No. 1545-2251

2014

Department of the Treasury
Internal Revenue Service

► Information about Form 1094-C and its separate instructions is at www.irs.gov/f1094c.

Part I Applicable Large Employer Member (ALE Member)

1 Name of ALE Member (Employer) ABC Company		2 Employer identification number (EIN) 91-555555
3 Street address (including room or suite no.) 123 Park Lane		
4 City or town Seattle	5 State or province WA	6 Country and ZIP or foreign postal code 98101
7 Name of person to contact Larry Johnson		8 Contact telephone number 206-555-1212
9 Name of Designated Government Entity (only if applicable)		10 Employer identification number (EIN)
11 Street address (including room or suite no.)		
12 City or town	13 State or province	14 Country and ZIP or foreign postal code
15 Name of person to contact		16 Contact telephone number
17 Reserved <input type="checkbox"/>		
18 Total number of Forms 1095-C submitted with this transmittal		400

For Official Use Only



- Employer name, address & EIN, contact person, and phone number (do not complete lines 9-16 unless applicable – only certain governmental units see *appendix*)
- Total number of Forms 1095-C submitted with the transmittal form



1094-C Part II

Part II ALE Member Information

19 Is this the authoritative transmittal for this ALE Member? If "Yes," check the box and continue. If "No," see instructions

20 Total number of Forms 1095-C filed by and/or on behalf of ALE Member

21 Is ALE Member a member of an Aggregated ALE Group? Yes No

If "No," do not complete Part IV.

22 Certifications of Eligibility (select all that apply):

- A. Qualifying Offer Method
- B. Qualifying Offer Method Transition Relief
- C. Section 4980H Transition Relief
- D. 98% Offer Method

Under penalties of perjury, I declare that I have examined this return and accompanying documents, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature
 Title
 Date

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 61571A

Form 1094-C (2014)

- Authoritative transmittal
- Total number of Forms 1095-C filed by this employer
- Member of a controlled group (aggregated ALE group)
- Certify eligibility for relief
- Signature, title and date



1094-C Part III

Form 1094-C (2014)

Page 2

		(a) Minimum Essential Coverage Offer Indicator		(b) Full-Time Employee Count for ALE Member	(c) Total Employee Count for ALE Member	(d) Aggregated Group Indicator	(e) Section 4980H Transition Relief Indicator
		Yes	No				
23	All 12 Months	<input checked="" type="checkbox"/>	<input type="checkbox"/>			<input checked="" type="checkbox"/>	A B
24	Jan	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
25	Feb	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
26	Mar	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
27	Apr	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
28	May	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
29	June	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
30	July	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
31	Aug	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
32	Sept	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
33	Oct	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
34	Nov	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
35	Dec	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	

- Column (a). Did the employer offer MEC in the CY and for how long?
- Column (b). The FTE count for each month (unless eligible for 98% transition relief)
- Column (c). The total employee count for each month
- Column (d). Indicate if the employer is part of a controlled group
- Column (e). Certify eligibility for relief (either 50-99 FTE relief or 70%/80 relief)



120315
Page 3

1094-C Part IV

Form 1094-C (2014)

Part IV Other ALE Members of Aggregated ALE Group

Enter the names and EINs of Other ALE Members of the Aggregated ALE Group (who were members at any time during the calendar year).

Name	EIN	Name	EIN
36		51	
37		52	
38		53	
39		54	
40		55	
41		56	
42		57	
43		58	
44		59	
45		60	
46		61	
47		62	
48		63	
49		64	
50		65	

Only complete if part of a controlled group of companies

- Name and EIN of each member of the controlled group during the CY



Form 1095-C

Form **1095-C** **Employer-Provided Health Insurance Offer and Coverage** VOID 600115
 Department of the Treasury CORRECTED OMB No. 1545-2251
 Internal Revenue Service **2014**
 ▶ Information about Form 1095-C and its separate instructions is at www.irs.gov/1095c.

Part I Employee						Applicable Large Employer Member (Employer)						
1 Name of employee			2 Social security number (SSN)			7 Name of employer			8 Employer identification number (EIN)			
3 Street address (including apartment no.)						9 Street address (including room or suite no.)			10 Contact telephone number			
4 City or town		5 State or province		6 Country and ZIP or foreign postal code		11 City or town		12 State or province		13 Country and ZIP or foreign postal code		

Part II Employee Offer and Coverage	14 Offer of Coverage (enter required code)												
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
15 Employee Share of Lowest Cost Monthly Premium, for Self-Only Minimum Value Coverage	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
16 Applicable Section 4980H Safe Harbor (enter code, if applicable)													

Part III Covered Individuals
 If Employer provided self-insured coverage, check the box and enter the information for each covered individual.

(a) Name of covered individual(s)	(b) SSN	(c) DOB (if SSN is not available)	(d) Covered all 12 months	(e) Months of Coverage											
				Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
17			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 60705M **Form 1095-C** (2014)



1095-C, Part I

Form **1095-C**
Department of the Treasury
Internal Revenue Service

Employer-Provided Health Insurance Offer and Coverage

► Information about Form 1095-C and its separate instructions is at www.irs.gov/1095c.

VOID

CORRECTED

600115
OMB No. 1545-2251

2014

Part I Employee			Applicable Large Employer Member (Employer)		
1 Name of employee	2 Social security number (SSN)	7 Name of employer	8 Employer identification number (EIN)		
John Smith	555-55-5555	ABC Company	91-555555		
3 Street address (including apartment no.)		9 Street address (including room or suite no.)		10 Contact telephone number	
456 Rose Way		123 Park Lane		206-555-1212	
4 City or town	5 State or province	6 Country and ZIP or foreign postal code	11 City or town	12 State or province	13 Country and ZIP or foreign postal code
Bellevue	WA	98004	Seattle	WA	98101

- Employee name, SSN, address,
- Employer name, EIN, address, contact phone number



1095-C, Part II

Part II Employee Offer and Coverage

	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)	1E												
15 Employee Share of Lowest Cost Monthly Premium, for Self-Only Minimum Value Coverage	\$ 100.00	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
16 Applicable Section 4980H Safe Harbor (enter code, if applicable)	2C												

- Indicate the type of offer of coverage (if any) with appropriate Codes
- Indicate the lowest cost monthly premium for self-only MV coverage (not necessarily the cost the individual pays)
- Indicate any safe harbor that may apply with appropriate Code



Part II Employee Offer and Coverage

14 Offer of Coverage (enter required code)	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
1E													

Code Series I, Offer of Coverage

- 1A: Qualifying Offer: MEC of MV offered to FTEs with an employee contribution for self-only coverage that is equal to or less than the FPL safe harbor (based upon the 2015 FPL guidelines released by HHS, \$93.18) and at least MEC offered to a spouse and dependents**
- 1B: MEC providing MV offered only to the employee
- 1C: MEC providing MV offered to the employee and at least MEC offered to dependents (not spouse)
- 1D: MEC providing MV offered to the employee and at least MEC offered to spouse (not dependents)
- 1E: MEC providing MV offered to the employee and at least a MEC plan offered to spouse and dependents**
- 1F: MEC not providing MV offered to the employee or the employee, spouse, and/or dependents
- 1G: Offer of coverage to employee who was not a FTE for any month of the CY and who enrolled in self-insured coverage for one or more months for the calendar year**
- 1H: No offer of coverage (employee not offered any health coverage or the employee offered non-MEC)**
- 1I: Qualified offer transition relief 2015: employee and spouse or dependents received no offer of coverage, or received an offer that is not a qualified offer or received a qualified offer for less than 12 months (see *appendix*)



16 Applicable Section 4980H Safe Harbor (enter code, if applicable)	2C												
---	----	--	--	--	--	--	--	--	--	--	--	--	--

Code Series 2 4980H Safe Harbor Codes and Other Relief for Employers

2A: Employee was not employed during the month

2B: Employee was not a FTE

2C: Employee enrolled in coverage offered – this Code trumps any other Code (for example if both 2C and 2G apply, use 2C)

2D: Employee in a limited non-assessment period (e.g., initial measurement period, waiting period)

2E: Multiemployer interim rule relief

2F: W-2 Safe Harbor

2G: FPL Safe Harbor

2H: Rate of Pay Safe Harbor

2I: Non-CY transition relief applies (generally non-CY plans)



Importance of Safe Harbor Determinations

These safe harbor options are available::

- W-2 Safe Harbor (Box 1)
- Rate of Pay Safe Harbor
- Federal Poverty Level Safe Harbor



1095-C, Part III

Part III Covered Individuals

If Employer provided self-insured coverage, check the box and enter the information for each covered individual.

	(a) Name of covered individual(s)	(b) SSN	(c) DOB (if SSN is not available)	(d) Covered all 12 months	(e) Months of Coverage											
					Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
17	John Smith	555-55-5555		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18	Mary Smith	444-44-4444		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19	Peter Smith	333-33-3333		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20	Susan Smith	222-22-2222		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 60705M

Form **1095-C** (2014)

- Large employers sponsoring a **self-insured plan** must complete Part III – check box to indicate self-insured coverage is provided
- Report the name and SSN of each individual enrolled in the coverage (including the employee, regardless of full-time status). A TIN may be used for family members if SSN is not available. DOB is not required if SSN is entered. Indicate the months during the reporting year (CY) the individuals had coverage.
- For example, if an employee covers himself, his spouse and two children, all four individuals are reported in Part III



Self-Insured Health Plan – Non-Employees

Use “C” forms to reflect MEC of non-employees in the CY

- Applies with respect to:
 - covered former employee not employed during the CY,
 - terminated employee with COBRA coverage who was not an employee during the entire CY,
 - a non-employee COBRA qualified beneficiary, or
 - other non-employees (watch MEWA issues)

- Form 1095-C complete Parts I, II and III
 - Use Code 1G to reflect coverage under a self-insured plan
 - Include any covered family members in Part III

- An insured employer does not report on the coverage offered to non-employees – carrier responsible

Part II Employee Offer and Coverage

	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)	1G												
15 Employee Share of Lowest Cost Monthly Premium, for Self-Only Minimum Value Coverage	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
16 Applicable Section 4980H Safe Harbor (enter code, if applicable)													

Part III Covered Individuals
If Employer provided self-insured coverage, check the box and enter the information for each covered individual.

	(a) Name of covered individual(s)	(b) SSN	(c) COB (if SSN is not available)	(d) Covered all 12 months	(e) Months of Coverage											
					Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
17	Bob Miller	SSN		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 60705M Form 1095-C (2014)



SSN vs. DOB

Reasonable efforts must be made to obtain the tax identification number (TIN, usually the SSN) for all covered individuals, but a date of birth (DOB) may be used in the event those reasonable efforts do not produce the TIN

- What's a reasonable effort?
 - Initial solicitation at the time the relationship with the covered individual(s) is established (e.g., upon hire or initial enrollment)
 - If unsuccessful, an annual solicitation must be made by Dec. 31 of the same year
 - If still unsuccessful, a second solicitation is required by Dec. 31 of the following year
 - If still unsuccessful, no penalties applied if a DOB is used in lieu of a TIN
- Medicare rules require collection of TINs (SSNs), so carriers and TPAs likely already have this information
 - Use of truncated SSNs is permissible



Employee Delivery

**Employer (or
third party on
employer's
behalf)**

To employees
by Feb. 1, 2016
for CY 2015



- Forms 1095-C are individual statements (specific to a single employee and applicable family members); employees use these forms when filing 2015 federal income tax returns
- Statements must be furnished on paper by mail unless the recipient affirmatively consents to receive the statement electronically
 - Consent to receive W-2 electronically does not transfer to Form 1095-C delivery – separate consent needed



IRS Delivery

- Forms 1095-C are submitted to the IRS and provided to the participant for use when filing his/her federal income tax return for CY 2015
- Form 1094-C serves as a cover letter and is used to submit all of the Forms 1095-C to the IRS



1094-C Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns
OMB No. 1545-0047
2015
2014

Part I Applicable Large Employer Member (ALE Member)

1 Name of ALE Member (Employer) 2 Employer identification number (EIN)
3 Street address (including room or suite no.) 3 City or town 4 State or province 5 Country and ZIP or foreign postal code
6 Name of person to contact 7 Contact telephone number
8 Name of Designated Government Entity (only if applicable) 9 Employer identification number (EIN)
10 Street address (including room or suite no.) 10 City or town 11 State or province 12 Country and ZIP or foreign postal code
13 Name of person to contact 14 Contact telephone number

For Official Use Only

17 Reserved
18 Total number of Forms 1095-C submitted with this transmittal
Part II ALE Member Information
19 Is this the authoritative transmittal for this ALE Member? If "Yes," check the box and continue. If "No," see instructions.
20 Total number of Forms 1095-C filed by and/or on behalf of ALE Member
21 Is ALE Member a member of an Aggregated ALE Group? Yes No
22 Certifications of Eligibility (select all that apply):
 A. Qualifying Offer Method B. Qualifying Offer Method Transition Relief C. Section 4980H Transition Relief D. 98% Offer Method
Under penalties of perjury, I declare that I have examined this return and accompanying documents, and to the best of my knowledge and belief, they are true, correct, and complete.
Signature Date



All Forms 1095-C...

...are transmitted with one* Form 1094-C...

...to the IRS by Feb. 29, 2016 for CY 2015 (or Mar. 31, 2016 if filing electronically)

Filers of 250 or more Forms must file electronically

*An employer may file multiple Forms 1094-C, but one "Authoritative Transmittal" must be filed for each employer



Penalties

Penalties may apply for failure to provide or furnishing incorrect or incomplete Forms 1094-C and 1095-C

- Range from \$50/Form (\$500,000 annual max.) for failure to furnish corrections within 30 days to \$250/Form (\$3M annual max.) for failure to timely file or furnish forms to individuals
- Intentional failure to file is \$500 per form with no annual cap
- Penalties were recently increased significantly in relation to these form filings as well as filing W-2 and W-3 forms
- 2015 Relief: No penalties when employers have made good faith efforts to comply with these reporting requirements – however no relief for a failure to timely file or furnish the statements
- Otherwise penalties may apply, however they can be waived or reduced for reasonable cause



Information to Collect

Basic Information (1094-C & 1095-C)

- Name, EIN, address, contact person, contact person's phone number
- If part of a controlled group, name and EIN of other employer members
- If health plan coverage is offered, funding status during the calendar year (insured or self-insured)
- Calendar year (CY) reported (e.g., 2015)
- Name, address, social security number (SSN) of all FTEs

Employer Information Reported On a Monthly Basis (1094-C)

- Was an offer of MEC made to at least 95% of FTEs and children to age 26 for each month of CY?
- Total number of FTEs for each month of the CY
- Total number of all employees (FTEs and non full-time) for each month of the CY
- 2015 transition relief eligibility: medium sized employer relief or 70%/80 relief

FTE Information Reported On a Monthly Basis

- The health plan coverage, if any, offered to the FTE (and any family members) each month of the CY
- The self-only premium an employee must pay for the lowest-cost plan that provides minimum value
- The reason why an employer would not be subject to a penalty for a particular month (e.g., employee in waiting period, employee in IMP)
- The months for which the employer relied on non-CY relief with respect to the FTEs

If Self-Insured, Covered Employee Information Reported On a Monthly Basis

- Names, SSN (or TIN of family members if SSN is not available) and months of coverage for any employee/non-employee (e.g., retiree, COBRA QB) (and their family members) covered by the self-insured health plan during the CY



Who Does the Reporting?

No one vendor is likely to have all of this data

- Payroll Vendor
- Benefits Administrator/Third Party Administrator
- Insurance Carrier
- Have you discussed who will be doing this reporting?
 - Payroll vendor
 - Internal Resource
 - Outsourced to another entity
 - Accountant
- Liability for reporting most often stays with the employer



What to Do Now!

Action Items – Large Employers

- Begin to track and collect information necessary to complete Forms 1094-C and 1095-C for CY 2015 (due in early 2016)
- Be mindful if you change funding arrangements (insured to self-insured or vice versa) mid-CY as this will likely impact your required reporting
- Also, watch any other mid-year changes that impact affordability or the nature of health plan coverage (e.g., single coverage to family coverage) as this will impact the information reported on a monthly basis
- Coordinate with payroll and benefits providers to see what if any assistance is available for 1094-C and Forms 1095-C preparation
 - Employers are permitted to use a third party to facilitate filing returns and furnishing employee statements, although the large employer remains responsible for the reporting under Section 6056



Questions?

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