American Benefits Council Benefits Briefing

PPACA Information Reporting: Forms and Instructions 1095-C and 1094-C

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March 12, 2015



Overview

- Brief refresher on today's main subjects:
 - Employer Mandate (Code § 4980H)
 - Employer Mandate Reporting (Code § 6056)
 - Minimum Essential Coverage Reporting (Code § 6055)



Employer Mandate Basics

Employers must **offer** medical coverage ("minimum essential coverage") that meets certain standards to FTEs and their dependent children up to age 26.

Employer size	Effective for plans beginning in 2015	2016 plan year and beyond
50-99 full-time employees	Does not apply (if certain requirements met)	Employer must offer coverage to 95% of FTEs
100 or more full-time employees	Employer must offer coverage to 70% of FTEs	Employer must offer coverage to 95% of FTEs



6056 Reporting Basics

- Employer mandate reporting
 - Provide the IRS and individuals with information about an employer's compliance with the employer mandate, minimum value, and affordability
 - Must report for any employee who was FT for at least 1 month in the year
- Report on the "C" Forms
 - To IRS: 1094-C (transmittal) and 1095-C
 - To FTEs: 1095-C



6055 Reporting Basics

- Provide individuals and the IRS with information about minimum essential coverage and whether an individual satisfied the individual mandate for the preceding calendar year
- An employer will have to report if it <u>self-funds</u> its group health plan. If health plan is insured, the issuer will report
- ALEs that sponsor self-funded medical: Report on the "C" Forms
 - To IRS: 1094-C (transmittal) and 1095-C
 - To Covered Individuals: 1095-C
 - See slide for 40 for rule regarding non-employees
- Everyone else (i.e., issuers, small employers that self fund): Report on the "B" Forms
 - To IRS: 1094-B (transmittal) and 1095-B
 - To Covered Individuals: 1095-B



6056 Reporting Basics

- Due dates
 - To FTEs by Jan 31 of the next year
 - To the IRS
 - Filing electronically (≥ 250 1095-Cs) by March 31 of the next year
 - Filing paper (< 250 1095-Cs) by Feb 28 of the next year
- First filing in 2016 for 2015 information



IRS Form 1094-C (Transmittal Form)

"Final" Form released February 9, 2015

[available at: http://www.irs.gov/pub/irs-pdf/f1094c.pdf]

Instructions released same day

[available at: http://www.irs.gov/pub/irs-pdf/i109495c.pdf]



6056 Reporting- What Data Do You Need?

ALE Member Information

- Address, EIN, etc.
- Number of FTEs
- Number of employees

Controlled Group Information

- Names of controlled group members
- EINs of controlled group members
- Number of FTEs for each controlled group member

Does any 4980H Transition Relief apply?

- Does ALE have 50-99 FTEs and meet other requirements?
- If subject to "A-Penalty," do reduced penalties for 2015 apply?

Employee Information

- o Names, addresses, etc.
- SSNs (focus on process for soliciting SSNs)
- Was employee an FTE? For which months?
- If self-insured coverage available, information about "covered individuals"
- Information needed for delivery (last known address, or consent for electronic delivery)

Information About Offers Made

- o Was it MV?
- Was it affordable?
- Cost of employee share of lowest cost monthly premium for self-only MV coverage
- Were offers made to spouses and dependents?
- Was MEC offered to a sufficient percentage of FTEs?



1094-C	Transmittal of Employer-P	rovided Health I	nsurance Offer and	CORRECTED	120115 OMB No. 1545-2251
Form I U34-U Department of the Treasury Internal Revenue Service		Information Retu	ims		2014
Park Applicable L	arge Employer Member (ALE Member)				
1 Name of ALE Member (Emp	ioyer)		2 Employer Identification number	EIN	
3 Street address (including roo	om or aute no.)		<u> </u>		
4 City or town		5 State or province	6 Country and ZIP or tonsign postal	code	
7 Name of person to contact			8 Contact telephone number		
9 Name of Designated Govern	mont Entity (only if applicable)		10 Employer Identification number (i	:Nj	
11 Street address (including roo	om or suite no.)			For Off	icial Use Only
12 City or town		13 State or province	14 Country and ZIP or foreign postal	code	
15 Name of person to contact		1	16 Contact Inlephone number	⊣ шш	ШШ
					_
17 Reserved					
					. 🕨
Port II ALE Member	r Information				
19 is this the authoritativ	ve transmittal for this ALE Member? If "Yes," o	theck the box and contin	ue. If "No," see instructions		
20 Total number of Form	ns 1096-C filed by and/or on behalf of ALE Me	amber			. •
21 Is ALE Member a me	mber of an Aggregated ALE Group?				Yes No
If "No," do not compl	lote Part IV.				
22 Certifications of Elig	gibility (select all that apply):				
A. Qualitying Offer	Method B. Qualifying Offer Met	hod Transition Relief	C. Section 4980H Trans	tion Relief	D. 98% Offer Method
Under penalties of perjury, I o	doclare that I have examined this return and accomp	parrying documents, and to	the best of my knowledge and beliaf, t	hey are true, correct, and	complete.
)		.)			
Signature	anti-Daduction Act Matica, son sonumin instruc-	Title		Date	- 4004 C
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GROOM LAW GROUP

Page 2 Form 1094-C (2014)

Part	III Al É Membe	er Information—M	Monthly				
			sential Coverage edicator No	(b) Full-Time Employee Count for ALE Member	(c) Total Employee Count for ALE Member	(d) Aggragated Group Indicator	(e) Section 4980H Transition Relief Indicator
23	All 12 Months						
24	Jan						
25	Feb						
26	Mar						
27	Apr						
28	May						
29	June						
30	July						
31	Aug						
32	Sept						
33	Oct						
34	Nov						
35	Dec						



10 CHARTERED

Form 1094-C (2014)

Port 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	
36		53	
30		54	
40		55	
41		56	
42		57	
43		58	
44		59	
45		60	
46		61	
47		62	
48		63	
40		64	
50		65	

Form 1094-C (2014)



C H A R T E R E D

ALE Member

- Each ALE member has its own independent obligation to file returns and furnish statements under Section 6056
- A third party can assist an ALE member with reporting- however:
 - The ALE member cannot transfer its potential liability for failure to report
 - Each ALE member's information (EIN, etc.) must be reported separately.
 Cannot combine data of multiple ALE members and report on one form



ALE Member

Example:

- Acme Co. (with 98 full-time employees) sponsors the Acme Health Plan. Acme has a subsidiary, MiniAcme, with 5 fulltime employees
- Both Acme Co. and MiniAcme are ALE members because their controlled group has more than 50 full-time employees combined
- Therefore, both Acme Co. and MiniAcme have a separate reporting obligation under Section 6056
- A separate 1094-C must be filed for both Acme Co. and MiniAcme
- Acme Co. can facilitate the filing of the returns and furnish statements on behalf of MiniAcme, but if they do not do so... MiniAcme will be liable
- Any party that files returns or statements under Section 6056 should be aware of IRS requirements applicable to tax return preparers



1004.0	Transmittal of Employer	Provided Health I	nsurance Offer and	CORRECTED	120115 CME No. 1545-2251
Farm 1094-C		Information Retu		CONNECTED	0044
Department of the Treasury Internal Reserve Service	► Information about Form 1004-C				2014
	arge Employer Member (ALE Memb				
1 Name of ALE Member (Empl			2 Employer Identification number (EIN)		
3 Street address (including roo	m or suite no.)		'		
4 City or town		5 State or province	6 Country and ZIP or tonign postal code		
7 Name of person to contact			@ Contact telephone number		
9 Name of Designated Govern	mort Entity (only if applicable)		10 Employer Identification number (EIN)		
11 Street address (including roo	em or suite no.)			For Offic	cial Use Only
12 City or town		19 State or province	14 Country and ZIP or foreign postal code	_	
15 Name of person to-contact			16 Contact telephone number	ШШ	ШШ
17 Reserved	1005 Controlled with the Impurited				
Part II ALE Member	s 1095-C submitted with this transmittal				_
	transmittal for this ALE Member? If "Yes	," check the box and contin	ue. If "No," see instructions		
20 Total number of Form	s 1095-C flied by and/or on behalf of ALE	Member			•
21 Is ALE Member a men If "No," do not comple	niber of an Aggregated ALE Group?				. Yes No
	bility (select all that apply):				
A. Qualifying Offer	Method B. Qualifying Offer M	Method Transition Relief	C. Section 4980H Transition), 98% Offer Method
Under penalties of perjury, I di	sclare that I have examined this return and acco	ompanying documents, and to t	the best of my knowledge and belief, they a	re true, correct, and o	ompleta.
.		_ }			
For Drivacy Act and Danorse	ork Reduction Act Notice see senarate instr	Title	Cat No. 81571A	Date	r 4004-C a

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C H A R T E R E D

ALE Member

- If ALE member is part of a controlled group, check the box on Line 21
- Check the box where applicable on Part III, Column (d)
- Each ALE member reports the name and EIN of the other employers in its controlled group on Part IV
 - Descending order starting with the most FTEs



1094-C	Transmittal of E	mployer-Provided Health In	surance Offer and	CORRECTED	120115 OMB No. 1545-2251
		Coverage Information Retur			2014
Department of the Treasury Internal Revenue Service	► Information about	Form 1094-C and its separate instructions is	at www.irs.gov/f1094c.		DE CO
Applicable L	arge Employer Member (ALE Member)			
1 Name of ALE Member (Empl	(cyer)		2 Employer identification number (EIM)		
9 Street address (including ro	om 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			@ Contact telephone number		
9 Name of Designated Govern	ment Entity (only if applicable)		10 Employer Identification number (EIN)		
11 Street address (Including ro	om or suite no.)			For Off	icial Use Only
12 City or lown		12 State or province	14 Country and ZP or foreign postal code		
15 Name of person to contact			16 Contact telephone number	ШШ	шшш
	ns 1095-C submitted with this	transmittal			
Part II ALE Member	r Information				
19 is this the authoritativ	ve transmittal for this ALE Mer	mber? If "Yes," check the box and continue	a. If "No," see instructions		
20 Total number of Form	ns 1095-C filed by and/or on b	behalf of ALE Member			. ▶
21 Is ALE Member a me If "No," do not comp	ember of an Aggregated ALE (lete Part IV.	Group?			Yes N
22 Certifications of Elig	gibility (select all that apply):	:			
A. Qualifying Offer	Method B. Qua	ilfying Offer Method Transition Relief	C. Section 4980H Transition	Rall	D. 98% Offer Method
Inder penalties of perjury, I o	declare that I have examined this	return and accompanying documents, and to th	e best of my knowledge and belief, they ar	re trrect, and	completa.
		.			
Scrature		Title		Date	

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

C H A R T E R E D 16

Cat. No. 61571A

Form 1094-C (2014)

120215 Page 2

Form 1	1094-C (2014)						Page
Part	ALE Membe	er Information — N	Monthly				
		(a) Minimum Essential Coverage Offer Indicator		(b) Full-Time Employee Count (c) Total Employee Count for ALE Member		(d) Aggregated Group Indicator	(e) Section 4980H Transition Reliaf Indicator
		Yes	No			Grap macana	114 51155111111111111111111111111111111
23	All 12 Months						
24	Jan						
25	Feb						
26	Mar						
27	Apr						
28	May						
29	June						

33 Oct			
34 Nov			
36 Dec			



32

July

Aug

Sept

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Form 1094-C (2014)

Port 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	
30		54	
40		55	
41		56	
42		57	
43		58	
44		59	
45		60	
46		61	
47		62	
48		63	
40		64	
50		65	4004.0

Form 1094-C (2014)



C H A R T E R E D

Authoritative Transmittal

- Each ALE member can file multiple transmittals
- But must only file one authoritative transmittal that reports the total number of Forms 1095-C filed by/on behalf of ALE member
- Check Line 19 if authoritative transmittal



	Transmittal of Emp	loyer-Provided Health I	nsurance Offer and	CORRECTED OMB No. 1546
Form 1094-C Department of the Treasury Internal Revenue Service		erage Information Retu		201
	arge Employer Member (ALE	Member)		<u> </u>
1 Name of ALE Member (Emp	scyor)		2 Employer identification number (EIN)	
3 Street address (including ro	om or suite no.)			1
4 City or town		5 State or province	6 Country and ZIP or tonign postal code	
7 Name of person to contact		I	8 Contact telephone number	1
9 Name of Designated Govern	remort Entity (only if applicable)		10 Employer identification number (EIN)	1
11 Street address (including ro	om or suite no.)			For Official Use On
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 Form Part II ALE Membe	ns 1095-C submitted with this trans ir Information we transmittal for this ALE Member?		nue. If "No," see instructions	
18 Total number of Form Port II ALE Member 19 Is this the authoritation	r Information	P If "Yes," check the box and contin	nue. If "No," see instructions	
18 Total number of Form Part II ALE Member 19 Is this the authoritation 20 Total number of Form	r Information ve transmittal for this ALE Member? ns 1095-C filed by and/or on behalf ember of an Aggregated ALE Group?	of ALE Member	nue. If "No," see instructions	
18 Total number of Form 20 Total number of Form 20 Total number of Form 21 Is ALE Member a me If "No," do not comp	r Information ve transmittal for this ALE Member? ns 1095-C filed by and/or on behalf ember of an Aggregated ALE Group?	of ALE Member	nue. If "No," see instructions	
18 Total number of Form 20 Total number of Form 20 Total number of Form 21 Is ALE Member a me If "No," do not comp	r Information ve transmittal for this ALE Member? Ins 1095-C filed by and/or on behalf ember of an Aggregated ALE Group? lete Part IV. gibility (select all that apply):	of ALE Member	nue. If "No," see instructions	
18 Total number of Form Part II ALE Member 19 Is this the authoritation 20 Total number of Form 21 Is ALE Member a markit "No," do not comp 22 Certifications of Elig A. Qualifying Offer	r Information ve transmittal for this ALE Member? Ins 1096-C flied by and/or on behalf Imber of an Aggregated ALE Group? lete Part IV. gibility (select all that apply): Method B. Qualifying	of ALE Member	nue. If "No," see instructions	
18 Total number of Form Part II ALE Member 19 Is this the authoritation 20 Total number of Form 21 Is ALE Member a markit "No," do not comp 22 Certifications of Elig A. Qualifying Offer	r Information ve transmittal for this ALE Member? Ins 1096-C flied by and/or on behalf Imber of an Aggregated ALE Group? lete Part IV. gibility (select all that apply): Method B. Qualifying	of ALE Member	ue. If "No," see instructions G. Section 4980H Transition	

Simplified Methods/Section 4980H Transition Relief

- Indicate on Line 22 whether using:
 - Simplified Methods
 - Qualifying Offer Method
 - Qualifying Offer Transition Relief
 - 98% Offer Method
 - 4980H Transition Relief (2 types)
 - A. 50-99 full-time/full-time equivalent relief (not subject to 4980H penalties for 2015)
 - B. 100 or > full-time/full-time equivalent relief (2015 4980H(a) penalty calculated with 80 employee reduction rather than 30)
 - Must also enter code on Part III, Column (e)



Part Applicable 1 Name of ALE Member (Em 2 Street address (Including n	Large Employer Member (ALE Mer	mber)		
1 Name of ALE Member (Em				
5 Shoot widows forbulance			2 Employer identification number (EII)	9
2 Seem Address (Handley)	om or suite no.)			1
4 City or town		5 State or province	6 Country and ZIP or loneign postal cod	da
7 Name of person to contact			@ Contact telephone number	1
9 Name of Designated Gove	mort Entity (only if applicable)		10 Employer Identification number (EIN)	1
11 Street address (including in	om or suite no.)			For Official Use Only
12 City or town		13 State or province	14 Country and ZIP or foreign postal cod	·
15 Name of parson to contact			16 Contact telephone number	
Part II ALE Membe			or If this Tone Industries	▶
	we transmittal for this ALE Member? If *1 ms 1095-C flied by and/or on behalf of A			
	ember of an Aggregated ALE Group?			Yes No
72	gibility (select all that apply):			

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C H A R T E R E D

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Form 1	094-C (2014)	er Information – N	Joseph.				Page 2
Part	ALE Membe	(a) Minimum Es Offer in	sential Coverage ndicator	(b) Full-Time Employee Count for ALE Member	(c) Total Employee Count for ALE Member	(d) Aggregated Group Indicator	(e) Section 4980H Transition Reliaf Indicator
		Yes	No		10.722.110.20	area marea	THE GROOT PRINCE PROCESS
23	All 12 Months						
24	Jan						
25	Feb						
26	Mar						
27	Apr						
28	May						
29	June						
30	July						
31	Aug						
32	Sept						
33	Oct						
34	Nov						
35	Dec						

Form 1094-C (2014)



23 CHARTERED

MEC Offer Indicator

- Report whether offered coverage to at least 95% of FTEs & dependent children for all 12 months or the specific months
 - Must cover dependent children through end of the month in which they turn age 26.
 - Don't count FTEs in a "limited non-assessment period"
 - Generally, a period during which an ALE will not be subject to 4980H penalties for a FTE, regardless of whether the FTE is offered coverage during that period
- For 2015 only, can also check yes if:
 - Offered coverage to at least 70% of FTEs & dependent children
 - Qualify for 4980H dependent coverage relief
 - Qualify for non-calendar year plan 4980H (a) or (b) penalty relief
 - Qualify for January 2015 4980H relief



120215

Form 1094-C (2014)

Part	III ALE Memb	er Information —	Monthly				
			sential Coverage ndicator No	(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
23	All 12 Months						
24	Jan						
25	Føb						
26	Mar						
27	Apr						
28	May						
29	June						
30	July						
31	Aug						
32	Sept						
33	Oct						
34	Nov						
35	Dec						

Form 1094-C (2014)



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FTE and Total Employee Count

- Report FTE count for each month of the year
 - Don't include FTEs in a limited non-assessment period
 - 98% Offer Method gets you out of having to report number of FTEs
- Report the total employee count for each month (including non-FTEs)
 - Based on:
 - First day of month
 - Last day of month
 - First day of first payroll period starting in month
 - Last day of first payroll period starting in month



Form	1094-C (2014)						12021 Page
Par	ALÉ Membe		sential Coverage indicator	(b) Full-Time Employee Count for ALE Member	(c) Total Employee Count for ALE Member	(d) Aggregated Group Indicator	(e) Section 4980H Transition Reliaf Indicator
23	All 12 Months	Tes					
24	Jan						
25	Føb						
26	Mar						
27	Apr						
28	May						
29	June						
30	July						
31	Aug						
32	Sept						
33	Oct						
34	Nov						
		ı	I				

Form 1094-C (2014)



27 CHARTERED

IRS Form 1095-C (Return Form)

"Final" Form released February 9, 2015

[available at: http://www.irs.gov/pub/irs-pdf/f1095c.pdf]

Instructions released same day

[available at: http://www.irs.gov/pub/irs-pdf/i109495c.pdf]



1005		Emr	lover Dr	Provided Health Insurance Offer and Coverage								□ \	/OID		60011.1 OMB No. 1545-2251				
Form 1095 Department of the 1			-				uctions is at www.irs.gov/f1096c.						CORRE	ECTED	, —	2014			
Port Em		-	Official about	a roill lo	ro-C and its se	CIOIS IS a													
1 Name of employ	_			2 Soci	al xecurity numbe	Applicable Large Emplo 7 Name of employer						ember			Employer Identification number (EIN)				
3 Street address (Including apart	ment no.)				9 Street address (including room or sufe no.)							10	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				ovince		13	Country or	nd ZIP or k	mign pos	tal code	
Part II Em		er and Cove																	
14 Offer of	All 12 Months	Jan	Fab	Mar	Apr	May	June	1	July	-	Aug	Se	pt	Oct		Nov		000	
Coverage (enter required code)								\perp		\perp					\perp		\perp		
15 Employee Share of Lowest Cost Monthly Premium,	·																		
for Self-Only Minimum Value Coverage	\$	\$	\$	\$	\$	\$	s	s		\$		\$	4	\$	s		s		
95 Applicable Section 4900H Safe Harbor (enter code, if applicable)																			
	ered Indiv				_														
If En	nployer prov	ided self-insu	red coverage	, check th	e box and ent	er the inform	nation for	each co	vered in	ndividu	al.								
(a) Name	e of covered ind	tvictual(x)	(6)	SEN	(e) DOB (# SSI not available	onthis Jan Folb Mar			Apr			of Coven	Aug	Sapt	Oct	Nov	Dec		
17																			
18																			
19																			
20																			
21																			
22																			
For Privacy Act	and Panerwo	rk Reduction	Act Notice, se	o soparato	instructions				Cel	No. 6070	IGM.					Form	1095-	C (2014)	

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

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ALE Member

- One Form 1095-C per ALE Member for each FTE
 - Two divisions same ALE Member one Form

- Two ALE Members two Forms
- Report ALE Member information on Lines 7 through 13



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Internal Revenue Sc	►I	nformation abo	ut Form 100	6-C and h		tions is a	oyer Member (Employer)					2014							
1 Name of employ	_			2 Soci	al security number	/ Name of		-unge	Linpid	yer in		_		Employer identification number (EIN					
													—	10 Contact telephone number					
3 Street address (including spart	ment no.)		•			9 Street ac	areas (no	owang ro	om or su	ne no.j			l'	TO CONTACT RESPICITE NUMBER				
4 City or town	4 City or town 5 State or province				try and ZIP or local	11 City or to	wn		12 5	bala or p	ovince		1	13 Country	and ZP or	tomign po	atal code		
Part II Em		er and Co																	
14 Offer of	All 12 Months	s Jan	Fab	Mar	Apr	May	June July Au		Aug	Se	pt	Oct		Nov		000			
Coverage (enter required code)								\perp		\perp					\perp		\perp		
15 Employee Share of Lowest Cost	1																		
Monthly Premium, for Self-Only Minimum Value Coverage	s	s	\$	\$	\$	\$	s	s		\$		\$		\$	s		s		
16 Applicable Section 4900H Safe Harbor (enter code, if applicable)																			
Part III Cov	ered Indiv	viduals																	
If En	pioyer prov	vided self-in:	sured coverag	e, check th	e box and ent	er the inform	nation for	each co	vered it	ndividu	aL.								
(a) Name	of covered in	dvidual(ti)	(1)	SSN	(e) DOB (# SSI not available	N is (d) Cove e) all 12 mo	ned Jan	d S Jan Feb Mar Apr		(e) Months of Cover May June July			nuge Aug Sapt		apt Oct		Dec		
																	Nov		
17							ᆜᆜ	Ш		Ш	Ш	Ш	Ш	<u> </u>	┸	ᆜ		Ш	
18																			
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22																			
For Privacy Act	and Paperwo	ork Reduction	Act Notice, se	se separate	instructions.			_	Cart.	No. 6070	SM			_		Form	1095	C (2014)	

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Offer of Coverage

- On Line 14, enter code for each month corresponding to the type of coverage offered to employee and his/her spouse and dependents, if any
 - 9 different codes, including:
 - Qualifying Offer Method
 - Qualifying Offer Transition Relief
 - MEC providing MV offered to EE, but not spouse and dependents
 - MEC providing MV offered to EE, spouse, and dependents
 - MEC but <u>not MV</u>
 - Offer to employee who was not an FTE and enrolled in selfinsured coverage
 - No offer



··· 1095	-C	Emp	lover-Pr	ovided	Health In:	surance	Offer	and	Cove	rage		1	/OID			OMBI No.		0115 SI	
Department of the T Internal Revenue Se	_	ation about Form 1095-C and its separate instructions is at www.irs.gov/f1095c.									CORR	ECTE	D	2014					
Part Emp							Appli	oable	arge	· (Emi	mployer								
1 Name of employ			2 Soci	al security number	Applicable Large Employer Memi 7 Name of employer								8 Employer identification number (EIN)						
3 Street address (including spertment no.)						9 Street address (including room or sufe no.)							1	D Contact t	Contact telephone number				
4 City or town 5 State or province			1000	6 Country and ZIP or foreign postal code				WEI .		12.5	bate-orpo	ovince		1	19 Country and ZIP or tonign postal cod				
Part II Emp	oloyee Off	er and Cove	erage																
	All 12 Months	Jan	Fab	Mar	Apr	May	June	•	July		Aug .	Se	pt	Oc	t	Nov		iec.	
14 Offer of Coverage (enter required code)																			
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56 Applicable Section 4980H Safe Harbor (enter code, if applicable)																			
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If Employer provided self-insured coverage, check the box and enter the information for each covered individual.																			
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Cost of Coverage

- On Line 15, report the employee share of the lowest cost monthly premium for self-only MV coverage
 - Only have to report on Line 15 if MEC providing MV offered to employee
 - Qualifying Offer Method/Qualifying Offer Transition Relief gets you out of having to report on Line 15



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4980H Safe Harbor/Other Relief Codes

- On Line 16, report reason why no "B Penalty" applies:
 - Employee enrolled in the coverage
 - Employee not employed during the month
 - Employee not a FTE (and didn't enroll in coverage)
 - Employee in a limited non-assessment period
 - Multiemployer 4980H interim rule relief
 - 4980H(b) affordability safe harbor (W-2, federal poverty line, rate of pay)
 - 4980H non-calendar year transition relief
- Instructions provide an ordering rule for these codes



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---- 1095-C coup



Covered Individuals

- ALE Member completes Part III ONLY if employee enrolled in employer-sponsored selfinsured health coverage
- Must be completed for all employees enrolled in the self-insured health coverage, regardless of whether or not they are FTEs
- Must also report enrolled spouses and dependents



1095-C Employer-Provided Health Insurance Offer and Coverage										FAGA			/OID		60011! OMB No. 1545-2251									
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Form 1095-C (2014)



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MEC Reporting for Non-Employees

- ALEs that offer employer-sponsored self-insured health coverage to non-employees who enroll in the coverage may use Forms 1094-B and 1095-B, OR Form 1095-C, Part III, to report MEC provided to those individuals and other family members.
- Who might be affected:
 - non-employee directors
 - an individual receiving retiree coverage who was not an employee during the entire year,
 - a non-employee COBRA beneficiary
 - A terminated employee receiving COBRA coverage who terminated employment during a previous year



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Cat. No. 60709M

Form 1095-C (2014)



C H A R T E R E D

Delivery to Employees

- Two options:
 - Mail paper forms to last known permanent address
 - Electronic delivery
 - Must get affirmative consent
- Hand delivery or intra-office mail may not satisfy delivery requirements



Simplified Reporting Methods

- Qualifying Offer Method
- Qualifying Offer Transition Relief
- 98% Offer Method



"Qualifying Offer" Defined

What is a "Qualifying Offer?"

- An offer that meets both of the following requirements:
 - (1) it is an offer of MEC providing minimum value to an FTE at an employee cost for employee-only coverage not exceeding 9.5 percent of the mainland single federal poverty line (i.e. \$92.38 per month), and
 - (2) it is also an offer of MEC to the employee's spouses and dependents



Qualifying Offer Method

- Applies on an employee-by-employee basis
- Applies to FTEs who are made a Qualifying Offer
- Can be used if employer made a Qualifying Offer to one or more of its FTEs for all months during the year in which the employee was a FTE for whom a 4980H penalty could apply
- Pros
 - Don't report the cost of coverage on Form 1095-C, Part II, Line 15. Instead, report Code 1A.
 - Don't have to give the FTE the Form 1095-C if made a qualifying offer for all months. Instead, can give the FTE a statement that for all 12 months, the employee and any spouse/dependent received a Qualifying Offer and thus are not eligible for a premium tax credit.

Cons

- Still have to file the Form 1095-C with the IRS. Creating a separate statement for the employee may be more work.
- Doesn't apply to 6055 reporting, so if self-insured, still need to give the FTE the Form 1095-C with Parts I and III completed.



Qualifying Offer Method

- What if I don't make a Qualifying Offer for all months an employee was FT?
 - Can still report Code 1A for months in which Qualifying Offer was made, but at end of year, must give the FTE the Form 1095-C.
 - For 2015, consider Qualifying Offer Transition Relief



Qualifying Offer Transition Relief

- Applies for 2015 only
- Applies based on entire FTE population
- Can use if you make a Qualifying Offer to at least 95% of FTEs for any month in 2015
- Pros
 - Don't have to report the cost of coverage for any FTE on Form 1095-C, Part II, Line 15. Instead, report Code 1I (Code 1A if made a Qualifying Offer for that month)
 - Don't have to give the FTE the Form 1095-C. Instead, can give the FTE a statement that the employee and any spouse/dependent may be eligible for a premium tax credit for one or more months in 2015

Cons

- Still have to file the Form 1095-C with the IRS. Creating a separate statement for the employee may create more work
- Doesn't apply to 6055 reporting, so if self-insured, still need to give the FTE the Form 1095-C with Parts I and III completed



98% Offer Method

- Applies based on entire FTE population
- For all 12 months, must offer, to at least 98% of employees for whom it is filing, coverage that:
 - Provides MV
 - Is affordable based on a 4980H affordability safe harbor
- Pros
 - Don't need to identify which employees are FT
 - Don't need to report the FTE count on the Form 1094-C
- Cons
 - Still have to file the Form 1095-C with the employees and the IRS
 - Will result in over-reporting because you will end up reporting for some non-FTEs.
 - If in a controlled group, will still have to identify FTEs because other employers in your group need to report the controlled group members on the Form 1094-C in descending order based on FTE count.



6056 Reporting- Questions to Consider

- Who will perform the filing?
 - ALE Member? Related company? Third party service?
- Who will track the information necessary for filing?
- Can you use simplified reporting method, and if so, does it make sense to do so?
- How will you deliver statements to employees? By mail, or electronically?



Questions?

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