



New Affordable Care Act Filing Requirements for 2015

The Affordable Care Act (“ACA”) imposes significant information reporting responsibilities on employers and insurance providers for filing new informational forms with the IRS and health plan participants starting with the 2015 calendar year.

Information Forms

The new informational forms include Forms 1095-B and 1095-C (with their respective forms for transmittal, Forms 1094-B and 1094-C). Beginning in 2016, deadlines for filing the 2015 forms with the IRS will be February 28 or, if electronically filing, March 31. As with the Forms W-2 and 1099s, the plan participants must receive a copy of the Form 1095, or a substitute statement, must be given to the employee by January 31 and can be provided electronically with the employee’s consent. Employers will be subject to penalties of up to \$500 per return for failing to timely file the returns or furnish statements to employees.

Forms 1095-B/1094-B

Insurance companies for employer-sponsored group health plans and employers with self-insured plans will be responsible for filing Forms [1095-B](#) (Health Coverage) and [1094-B](#) (Transmittal of Health Coverage Information Return). The forms will be used to report the covered person’s name, address, social security number and date of birth as well as their family members covered by the plan. There is no requirement to file these forms for any employee who is offered coverage, but declines the coverage.

Forms 1095-C/1094-C

Applicable large employers will be responsible for

filing Forms [1095-C](#) (Employer-Provided Health Insurance Offer and Coverage) and [1094-C](#) (Transmittal of Employer-Provided Health Insurance Offer and Coverage). Applicable large employers are defined as those that had 50 or more full-time employees (which would also include full-time equivalent calculation for part-time employees) during the prior calendar year. In order to be considered full-time, the employee must have worked a minimum of 30 hours per week.

Forms will be required for all full-time employees regardless of whether the employee is participating in the employer’s health plan. For employees that are designated as not full-time, filing is only required if the employee is actually participating in the plan.

Much has been made of the transitional relief provided large employers with respect to the employer shared responsibility penalty for 2015. During 2015, for purposes of this penalty, large employers are now defined as those with 100 (as opposed to 50) or more full-time employees. For purposes of filing Forms 1095-C and 1094-C, the definition of a large employer remains at 50 or more full-time employees.

Action Required

Businesses need to take an active role now in determining what compliance reports need to be filed and how that is going to get done. We suggest that you contact your payroll service firm and insurance carrier as soon as possible to see what steps they are taking to insure your compliance with these filing requirements.

Failure to file these forms (or filing them with significant errors) could expose your business to penalties. Most of the information needed should already reside with your payroll service provider and

insurance carrier, who can then use this information to produce these forms next January.

In light of the complexity of the new information reporting requirements, employers should take the following actions:

- Learn about the new information reporting requirements by reading IRS [Publication 5196](#) and [Questions and Answers about Information Reporting by Employers on Form 1094-C and Form 1095-C](#).
- Review ownership structures of related companies and perform a controlled/affiliated service group analysis to determine applicable large employer group members
- Discuss the reporting requirements with the health plan's insurer or third-party administrator and the

company's payroll vendor to identify the parties responsible for data collection and form preparation

- Review the instructions for Forms 1094-C and 1095-C and, if applicable, the instructions for Forms 1094-B and 1095-B, along with the forms
- Develop procedures for determining and documenting each employee's full-time or non-full-time status by month
- Develop procedures to collect information about offers of health coverage and health plan enrollment by month
- Ensure that systems are in place during 2015 to collect the needed data for the forms ■■■

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