IRS Affordable Care Act Reporting: Forms 1094 & 1095
Minimum Essential Coverage & Applicable Large Employer Reporting

FGFOA Webinar Series
August 20, 2015
Presented by:
Kate Grangard, CPA, CFO

GEHRING GROUP
INSURANCE BROKERS & CONSULTANTS
Minimum Essential Coverage & Applicable Large Employer (ALE) Reporting

Webinar Goals:

• Review of ALE/MEC reporting requirement
• Determination of status as pertains to reporting requirement
• Overview of forms, responsible parties, due dates and options
  – DGE & Aggregated ALE Groups
• Review of Minimum Essential Coverage Reporting Forms 1095-B & 1094-B
• Review monthly info required for Applicable Large Employer Reporting on Form 1095-C
  – Offer of coverage codes
  – Safe harbor and other relief codes
• Review eligibility certification (election) options and other reporting fields on Form 1094-C
• Review sample forms including waiver, retiree & COBRA examples
• Review available reporting tools
Minimum Essential Coverage & Applicable Large Employer (ALE) Reporting

Sections 6055 & 6056 of ACA:

1. Issuer/Employer reporting of minimum essential coverage (MEC) for plan subscribers
2. Applicable Large Employer (ALE) reporting of employer sponsored offer of coverage, cost, and employee enrollment
3. IRS interpreted and enforced
Minimum Essential Coverage & Applicable Large Employer (ALE) Reporting

Employer/Plan Characteristics that determine reporting requirement/forms:

1. Does my employer offer Minimum Essential Coverage?
2. What type of plan is my group health plan – Fully insured? Self-insured? Other? Trust?
3. Is my employer an Applicable Large Employer?

**Minimum essential coverage (MEC).** Although various types of health coverage may qualify as minimum essential coverage, for purposes of these instructions, minimum essential coverage refers to health coverage under an eligible employer-sponsored plan.
Determining Applicable Large Employer (ALE) Status:

“Large Group” is defined as 50 or more Full Time Employees (FTE) + Full Time Equivalent Employees (FTEE)

• Full time Employees: FTE – 130 hours/month or 30 hours/week
• Full Time Equivalent Employees:
  – Monthly Calculation
  – 2015 – Based on 6 Contiguous Months of 2014
  – FTEE for month = (Total Hours worked by Part Time + Variable + Seasonal Employees (Up to 120 hours per person per month))/120
    – Add months together and average
• Add FTE + FTEE to get total Employees for determining Under 50 Full Time Employees (FTE) and Full Time Equivalent Employees (FTEE)
• IF 50+ FTE + FTEE, you are an ALE
Minimum Essential Coverage Reporting:

Issuers are required to provide the Internal Revenue Service, and (responsible party) covered individuals, information about minimum essential coverage and whether an individual (and their dependents) satisfied the individual mandate (through the employer plan) for the reportable calendar year.

- Report provides IRS information to enforce individual mandate
- Report provides employee information to complete tax return/ISRP
Minimum Essential Coverage Reporting

Form 1095-B and Transmittal Form 1094-B

- Member and Dependent coverage by month
- First year reporting due in 2016 based on Calendar Year 2015
- Simple Transmittal
Minimum Essential Coverage Reporting

How is the Information Reported?

Form 1094-B (Transmittal)
Form 1095-B (Individual Forms)

Transmittal & Reporting Forms:

Form 1094-B - Transmittal of Employer Provided Health Insurance Offer and Coverage Information Returns
Form 1095-B – Health Coverage

Rule of Thumb:
1094 = Transmittal
1095 = Report
Minimum Essential Coverage Reporting

Reporting Responsibility

- **Fully insured plans** - **Carrier** prepares and files on Form 1095-B for all employers regardless of size.

- **Self-insured plans** - **Plan Sponsor/Employer** prepares and files on appropriate form below:
  - Small employer (<50 FTE EE) self-insured plan that offers MEC files Form 1095-B
  - Large Employer (50+ FTE EE) self-insured plan that offers MEC files MEC information of Part III of Form 1095-C
Minimum Essential Coverage Reporting

Who Receives the Reports?

1) IRS
   ▪ Completed Forms 1095-B & 1094-B to IRS by following:
     ➢ February 28th if paper,
     ➢ March 31st if electronically
   ▪ Must file electronically with IRS if 250 Form 1095-B or greater

2015 reports due to IRS by
2/29/2016 if filed by paper;
3/31/2016 if file electronically
Who Receives the Reports? (continued)

2) Responsible Individuals (includes Retirees, cobra)

- Completed Forms 1095-B and/or other information:
  - Phone number of contact person
  - Same info as to IRS (people covered with months, etc)
  - Truncated SSN allowed

- Deliver 1 copy to last known address by January 31 (or next business day) of each year for prior calendar year:
  - Mail delivery unless have affirmative participant consent & other electronic requirement met
  - Can mail with W-2
  - No need to send to beneficiaries or dependents
# Minimum Essential Coverage Reporting

## Form 1094-B

**Transmittal of Health Coverage Information Returns**


<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Filer's name</td>
</tr>
<tr>
<td>2</td>
<td>Employer identification number (EIN)</td>
</tr>
<tr>
<td>3</td>
<td>Name of person to contact</td>
</tr>
<tr>
<td>4</td>
<td>Contact telephone number</td>
</tr>
<tr>
<td>5</td>
<td>Street address (including room or suite no.)</td>
</tr>
<tr>
<td>6</td>
<td>City or town</td>
</tr>
<tr>
<td>7</td>
<td>State or province</td>
</tr>
<tr>
<td>8</td>
<td>Country and ZIP or foreign postal code</td>
</tr>
<tr>
<td>9</td>
<td>Total number of Forms 1095-B submitted with this transmittal</td>
</tr>
</tbody>
</table>

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: __________

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

Cat. No. 81570P  
Form 1094-B (2014)
Minimum Essential Coverage Reporting

Small Employer Relationship Considerations Determines Filing Requirement & Responsible Party:

1. Standalone Small Group Employer
2. Small group employer who is part of a large group plan of employers that ARE under common control
3. Small group employer part of a large group plan of employers that ARE NOT under common control
4. Related Entity – ex: Designated Governmental Entity (DGE) – treat DGE as the carrier/issuer equivalent when completing the form (DGE name in Part III, Employer in Part II)
Minimum Essential Coverage Reporting

Reporting Option

• Designated Governmental Entity – DGE
  - DGE-Size of “related” but not commonly controlled group determines required form
  - Can report for related entities. Assumes penalty for employer liability to complete the form. Can complete Form 1095-B as issuer (takes the place of the carrier) for small employers.

• (FAQ) Reporting for Designated Governmental Entity
  – Clarifies that the DGE, when designated to report MEC information
    - DGE is listed on Form 1095-B as the Issuer or other provider in Part III
    - DGE is listed on Form 1094-B as the filer
    - DGE furnishes 1095-B reports to employees
ALE/MEC Reporting Requirement

Determining applicable employer filing requirement considering related entities:

**Related Group: DGE**
- Property Appraiser (60)
- BOCC (1000)
- Tax Collector (300)
- Clerk of Court (250)

**Controlled Group: Aggregated Group**
- ABC Consulting (30)
- ABC Decorators (150)
- ABC Airlines (200)
### Form 1095-B – MEC Reporting

**SAMPLE 1 – Fully Insured Employer < 50 EE’s – Carrier Issued**

#### Assumptions
- Employer is not part of a “controlled group” or a “related entity” to any other group
- Employee with family coverage enrolls newborn effective 9/8

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**Fully Insured Employer – CARRIER issued 1095-B**

<table>
<thead>
<tr>
<th>Part</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Responsible Individual (Policy Holder)</td>
</tr>
<tr>
<td>II</td>
<td>Employer Sponsored Coverage (if Line 8 is A or B, complete this part)</td>
</tr>
<tr>
<td>III</td>
<td>Issuer or Other Coverage Provider</td>
</tr>
<tr>
<td>IV</td>
<td>Covered Individuals (Enter the information for each covered individual(s))</td>
</tr>
</tbody>
</table>

**Employee info in Part II**
- Employer name
- City of Sunshine
- Address
- City and state or province
- Employer identification number (EIN)

**Carrier info in Part III**
- Issuer name
- Address
- City and state or province
- Phone number

**Designated # to obtain more info**
- Employer info in Part II
- Carrier info in Part III

**Employee copy may have first five digits of SSN truncated with *.
- EIN may NOT be truncated.**
### Form 1095-B – MEC Reporting

**SAMPLE 2 – Self Insured Employer < 50 EE’s – Employer Issued**

**Self Insured Employer – EMPLOYER issued 1095-B**

**Assumptions**
- Employer is not part of a “controlled group” or a “related entity” to any other group
- Employee with family coverage enrolls newborn effective 9/8

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**Form 1095-B – Health Coverage**

<table>
<thead>
<tr>
<th>Part I</th>
<th>Responsible Individual (Policy Holder)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of responsible individual</td>
<td>Jonathan Smith</td>
</tr>
<tr>
<td>Social security number (SSN)</td>
<td>no dashes</td>
</tr>
<tr>
<td>City or town</td>
<td>Paradise</td>
</tr>
<tr>
<td>State or province</td>
<td>Florida</td>
</tr>
<tr>
<td>Country and ZIP or foreign postal code</td>
<td>12345</td>
</tr>
</tbody>
</table>

**Part II | Employer Sponsored Coverage**

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

**Part III | Issuer or Other Coverage Provider**

- Name
- City of Sunshine
- Street address
- City or town
- State or province
- Country and ZIP or foreign postal code

**Part IV | Covered Individuals**

<table>
<thead>
<tr>
<th>Name of covered individual(s)</th>
<th>SSN</th>
<th>Covered at 12 months</th>
<th>Months of coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jonathan Smith</td>
<td>no dashes</td>
<td>×</td>
<td></td>
</tr>
<tr>
<td>Mary Smith</td>
<td>no dashes</td>
<td>×</td>
<td></td>
</tr>
<tr>
<td>Jane Smith</td>
<td>no dashes</td>
<td>×</td>
<td></td>
</tr>
<tr>
<td>Jack Smith</td>
<td>09/06/15</td>
<td>×</td>
<td>×, ×, ×</td>
</tr>
</tbody>
</table>

**For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.**
**Form 1095-B – MEC Reporting**

**SAMPLE 3 – Self Insured Employer < 50 EE’s – DGE Issued**

**Self Insured Employer – DGE issued 1095-B**

**Assumptions**
- Employer is not part of a “controlled group” or a “related entity” to any other group
- Employee with family coverage enrolls newborn effective 9/8

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**Part I: Responsible Individual (Policy Holder)**

<table>
<thead>
<tr>
<th>Name</th>
<th>Social security number (SSN)</th>
<th>Date of birth (if SSN is not available)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jonathan Smith</td>
<td>no dashes</td>
<td></td>
</tr>
</tbody>
</table>

**Part II: Employer Sponsored Coverage**

- Employer name: Sunshine County Tax Collector
- Employer address: 319 Town Hall Road, Paradise, FL 12345

**Part III: Issuer or Other Coverage Provider**

- Issuer name: Sunshine County Board of County Commissioners
- Issuer address: 321 Town Hall Road, Paradise, FL 12345

**Part IV: Covered Individuals**

<table>
<thead>
<tr>
<th>Name</th>
<th>SSN</th>
<th>Covered all 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jonathan Smith</td>
<td>no dashes</td>
<td>X</td>
</tr>
<tr>
<td>Mary Smith</td>
<td>no dashes</td>
<td></td>
</tr>
<tr>
<td>Jane Smith</td>
<td>no dashes</td>
<td>X</td>
</tr>
<tr>
<td>Jack Smith</td>
<td>09/08/15</td>
<td>X X X X</td>
</tr>
</tbody>
</table>

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.
Applicable Large Employer (ALE) Reporting:

Employers are required to provide the Internal Revenue Service, and eligible employees, information about an employer’s compliance with the employer mandate, minimum value, and affordability for the reportable calendar year with relation to that subscriber.

- Large ER (ALE) self reporting to IRS for ESRP enforcement
- Employee information for Federal Marketplace PTC eligibility
Applicable Large Employer (ALE) Reporting

ALE – Applicable Large Employer Reporting

- 50+ employees (FT + FTE) – Fully Insured & Self Insured
- Offer of Coverage Information by month
- Employee cost for self only lowest cost plan
- Coverage Code/Safe Harbor Information by month
- MEC reporting (covered individuals) information for self-insured ALE
- Reporting due 2016 based on Calendar Year 2015
- Comprehensive Transmittal including various elections
Applicable Large Employer (ALE) Reporting

What Additional Reportable Information is Included:
(Calendar Year Basis Reporting)

Employer (Transmittal Information):
• Employer contact & TIN – include contact person & phone #
• Designated Governmental Entity contact & TIN - include contact person & phone #
• Total number of forms submitted
• Months for which MEC is offered by employer
• Number of FT Employees for each month of calendar year (tricky calculation – does not include those in limited non-assessment period)
• Total Number of Employees
• If part of Aggregated Group, other members
• Election of various simplified reporting methods and transition relief including transition relief certification if 50-99 or non calendar year relief is being elected
Applicable Large Employer (ALE) Reporting

Transmittal & Reporting Forms:

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

Form 1095-C – Employer Provided Health Insurance Offer and Coverage
Applicable Large Employer (ALE) Reporting

For Whom is a Report Prepared?

Employees & Other Plan Participants

- Fully Insured Large ER – FT Employees eligible 1 or more months of the current year (Full Year Retiree & Cobra covered non employee participants are reported by carrier on 1095-B)
- Self Insured Large ER – 1) FT Employees eligible 1 or more months of the current year and 2) PT covered and 2) non-employees covered during the year
  - Non employees include: retirees, cobra, Board & Commission members
  - (Special form completion instructions for employees not full time including part-time, and non-employees including retiree, COBRA, elected officials).
Applicable Large Employer (ALE) Reporting

Who Receives the Reports and When are they Due?

1) IRS
   - Completed Forms 1095-C & 1094-C to IRS by following February 28th if paper, March 31st if electronically
     - Must file electronically with IRS if 250 Form 1095-C or greater
     - example: 2015 reports due to IRS by 2/29/2016 if file by paper; 3/31/16 if file electronically
     - May receive 30 day auto extension & potential 30 day additional extension
     - Filed through AIR System
Who Receives the Reports? (continued)

2) Employees

— Completed individual Forms 1095-C:
  
  - Truncated SSN allowed for employee copy only (first 5 numbers = “*”)
  
— Deliver 1 copy to last known address by January 31 of each year for prior calendar year:
  
  - Recommend mail delivery unless have affirmative participant consent

Tips!

• Let your Employees know they’re coming!
• Deliver with the W-2
Who files the Report?
(Employer level reporting)

- Applicable Large Employer (ALE) – Self insured & fully insured
- Designated Governmental Entity (DGE)
  - Can report for related entities. Assumes penalty for employer liability if complete Form 1095-C in entirety; or can complete Form 1095-B as issuer and employer complete Form 1095-C except Part III (similar to fully insured samples)
  - In this scenario the DGE plan administrator would complete separate 1094-C transmittal form for each of various entities on plan
  - DGE-Size of “related” but not commonly controlled group determines required form
  - No requirement to complete Part IV of 1094-C because NOT an Aggregated ALE
Applicable Large Employer (ALE) Reporting

Who files the Report?
(Employer level reporting)

- Common control group – Aggregated ALE Group
  - Each employer files one Authoritative Transmittal
  - Divisions may file with a Transmittal, however, there must be one Authoritative Transmittal that accumulates all employer related info
  - Additional filing requirement on 1094-C for each member employer – must list other ALE members in descending order with highest average employees listed first
  - For employee level reporting purposes, when employee works concurrently at two or more ALE member entities, the entity where most hours worked reports employee for that month
Applicable Large Employer (ALE) Reporting

Determining who files what report:
(Employer level reporting) Choices: a) 1095-B (MEC)  b) 1095-C (ALE)

Related Group: DGE

- Property Appraiser (60)
- BOCC (1000)
- Tax Collector (300)
- Clerk of Court (250)

Controlled Group: Aggregated Group

- ABC Consulting (30)
- ABC Decorators (150)
- ABC Airlines (200)
Minimum Essential Coverage & Applicable Large Employer (ALE) Reporting
DGE – Self Insured

Preparation Options Example
Plan Issuer: BOCC

**OPTION A**

*(DGE Accepts Penalty Liability)*

- Prep 1095-C for each ALE member entity
- Prep 1095-B for each small (under 50) member entities

<table>
<thead>
<tr>
<th>Member Entity</th>
<th>FTE + FTEE</th>
<th>Form Required-BOCC</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOCC</td>
<td>1000</td>
<td>1095-C</td>
</tr>
<tr>
<td>Tax Collector</td>
<td>300</td>
<td>1095-C</td>
</tr>
<tr>
<td>Clerk of Court</td>
<td>250</td>
<td>1095-C</td>
</tr>
<tr>
<td>Property Appraiser</td>
<td>60</td>
<td>1095-C</td>
</tr>
<tr>
<td>Supervisor of Elections</td>
<td>40</td>
<td>1095-B</td>
</tr>
</tbody>
</table>

**OPTION B**

*(DGE Accepts Liability & Responsibility only as Issuer)*

- Prep 1095-B for each member employer
- ALE member groups prep form 1095-C as ALE employer

<table>
<thead>
<tr>
<th>Form Required-BOCC</th>
<th>Form Required-Employer Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>1095-C</td>
<td>1095-C</td>
</tr>
<tr>
<td>1095-B</td>
<td>1095-C</td>
</tr>
<tr>
<td>1095-B</td>
<td>1095-C</td>
</tr>
<tr>
<td>1095-B</td>
<td>1095-C</td>
</tr>
</tbody>
</table>
Minimum Essential Coverage & Applicable Large Employer (ALE) Reporting

DGE – Self Insured

Preparation Options Example
Plan Administrator: BOCC

**OPTION C**

*(Each Employer Member Liable)*

- Each Member entity that is ALE prepares applicable employee 1095-C forms
- Each Member entity that is under 50 prepares applicable employee 1095-B forms

<table>
<thead>
<tr>
<th>Member Entity</th>
<th>FTE + FTEE</th>
<th>Form Required-Employer org</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOCC</td>
<td>1000</td>
<td>1095-C</td>
</tr>
<tr>
<td>Tax Collector</td>
<td>300</td>
<td>1095-C</td>
</tr>
<tr>
<td>Clerk of Court</td>
<td>250</td>
<td>1095-C</td>
</tr>
<tr>
<td>Utility Authority</td>
<td>60</td>
<td>1095-C</td>
</tr>
<tr>
<td>Airport Authority</td>
<td>40</td>
<td>1095-B</td>
</tr>
</tbody>
</table>
Form 1094-C Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns

Review of Form 1094-C (Transmittal)
Available Elections on Transmittal for Simplified Reporting & Transitional Relief

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. 01571A

Form 1094-C (2014)
Three Affordability Safe Harbors:

1. Form W-2 Safe Harbor – Employee contribution for lowest cost employee only coverage does not exceed 9.5% of employee’s Box 1 W-2 wages for the applicable calendar year.

2. Rate of Pay Safe Harbor – Test using monthly salary at the beginning of the plan year as base. Employee only cost cannot exceed 9.5% of earnings as of the first day of the plan year.

3. “Federal Poverty Line” (FPL) Safe Harbor – Coverage will be “affordable” if self-only coverage does not exceed 9.5% of Federal Poverty Level for single individual.
   - 2015 individual FPL is $11,770 (Monthly Cost ≤ $93.18)

http://aspe.hhs.gov/poverty/15poverty.cfm
Available Elections on Transmittal for Simplified Reporting & Transitional Relief

Qualifying Offer Method (line 22A)

Eligibility

- Make qualifying offer of coverage to 1 or more full-time employees for all 12 months of the year.
- Use code 1A on 1095-C, Part II line 14 under all 12 months box

**Qualifying offer.** A qualifying offer is an offer of MEC providing minimum value to one or more full-time employees for all calendar months during the calendar year for which the employee was a full-time employee for whom a section 4980H assessable payment could apply, at an employee cost for employee-only coverage for each month not exceeding 9.5 percent of the mainland single federal poverty line divided by 12, provided that the offer includes an offer of MEC to the employee’s spouse and dependents (if any).
Qualifying Offer Method Benefits:

Benefits & Reporting

– For partial year qualifying offer, use 1A for months coverage offered.
– Must not complete line 15 (EE premium contribution lowest cost MV plan) for any month in which an employee is offered coverage.
– OPTIONAL - Simplified letter reporting to individuals on self insured plan who waived coverage all 12 months, or fully insured plan who elected coverage for all 12 months that they were offered qualified coverage, that they are not eligible for a premium tax credit, and can call a contact person for info on Form 1095C filed for them with IRS. Potential timing benefit.
– For large self funded employers, the Form 1095-C still needs to be sent to employees to report Coverage Information (Part III) & full copy to IRS
– Optional Election – May use applicable Offer of Coverage (Series 1 codes) and report lowest cost plan EE contribution on line 15.
Available Elections on Transmittal for Simplified Reporting & Transitional Relief

Qualifying Offer Method Transition Relief – (line 22B)

Eligibility

– Make qualifying offer of coverage to 95% or more of eligible full-time employees for one or more months of the year.

Benefits & Reporting

– Use code 1A on 1095-C, Part II, Line 14 and code 1I for any monthly employee did not receive offer of coverage.
– For full year participants, use 1A on 1095-C, Part II line 14 under all 12 months box, and MUST leave line 15 blank for all months for applicable employee.
– For part year participants, use only Codes 1A (for months offered coverage) and 1I (for any months not offered coverage regardless of the reason)
Qualifying Offer Method Transition Relief Benefits:

Benefits & Reporting (Continued)

– Simplified Reporting – Simplified letter reporting to individuals on self insured plan who waived coverage for all 12 months, or fully insured plan who elected coverage for all 12 months that they were offered qualified coverage, are not eligible for a premium tax credit, and can call a contact person for info on Form 1095C filed for them with IRS. Potential timing benefit.

– Optional election – May use applicable Offer of Coverage (Series 1 Codes) and report lowest cost plan employee contribution on line 15.
Available Elections on Transmittal for Simplified Reporting & Transitional Relief

Section 4980H Transition Relief (22C)

Eligibility

Available if qualify for and electing transition relief due from:

4980H Provisions:

1. Under 100 (50-99 FTE+FTEE) transition relief: (Use code “A” in column (e) on Page 2 of 1094-C for applicable months)
   - Relief from Employer Shared Responsibility Provision penalties in 2015
     - Note must meet eligibility criteria – not reduce workforce or employee hours to meet size criteria from 2/9/14-12/31/15 OR not eliminate or materially reduce health benefits anytime from 2/9/14-12/31/15
Section 4980H Transition Relief Benefits:

Section 4980H Transition Relief (22C)

Eligibility

Available if qualify for and electing transition relief due from:

4980H Provisions:

2. Relief for employers with 100 or more employees:
   - Non Calendar Year Plan relief – (Use code “B” in column (e) on Page 2 of 1094-C for applicable months)
     - Note must meet eligibility criteria – ¼ ALL employees enrolled on any date in 12 months prior to 2/9/14 AND 1/3 of employees offered coverage during most recent open enrollment ended prior to 2/9/14
     - Note must meet eligibility criteria – 1/3 FULL TIME employees enrolled on any date in 12 months prior to 2/9/14 AND 1/2 of employees offered coverage during most recent open enrollment ended prior to 2/9/14
Section 4980H Transition Relief Benefits:

Reporting & Benefits

- Report using code “A” or “B” in column (e) as indicated.
- Limit exposure for ESRP for months of coverage in which employer was in transition relief. This is especially beneficial as employers transition to avoid the ESRP both a and b for 2015 plan year.
- Allows employer to mark X in Part III column (a) even if MEC not offered for months prior to start of plan year.
- Checking this box AND signing form is the Employers Certification that the employer qualifies for this Transition Relief from ESRP as applicable.
Available Elections on Transmittal for Simplified Reporting & Transitional Relief

- **98% Offer Method (22D)**
  - available if made an offer of minimum value, affordable health coverage (any of the safe harbors) to 98% of its eligible employees; and an offer of MEC coverage to dependents. *(This is not the same as Qualifying Offer under 22A and 22B).*
  - Must still file Form 1095-C for each employee.

**Section 4980H Transition Relief Benefits:**
- Not required to complete the Full Time Employee Count in Part III, Column (b) of Form 1094-C
**Form 1094-C – ALE Transmittal**

**Completed By EMPLOYER – Designated Govt. Entity**

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### Part I - Applicable Large Employer Member (ALE Member)

<table>
<thead>
<tr>
<th>Name of ALE Member (Employer)</th>
<th>Employer identification number (EIN)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 Street address of ALE Member</td>
<td>6 Country and ZIP or foreign postal code</td>
</tr>
<tr>
<td>4 City or town of ALE Member</td>
<td>8 Contact telephone number</td>
</tr>
<tr>
<td>7 Name of person to contact</td>
<td>10 Employer identification number (EIN)</td>
</tr>
<tr>
<td>9 Name of Designated Government Entity (only if applicable)</td>
<td>12 Country and ZIP or foreign postal code</td>
</tr>
<tr>
<td>11 Street of Designated Government Entity</td>
<td>14 Contact telephone number</td>
</tr>
<tr>
<td>12 City or town of Designated Government Entity</td>
<td>16 Country and ZIP or foreign postal code</td>
</tr>
<tr>
<td>15 Name of person to contact</td>
<td>18 Employer identification number (EIN)</td>
</tr>
</tbody>
</table>

---

**Reporting Employer Information**

- **Designated Government Entity (DGE).** A DGE is a person or persons that are part of or related to the Governmental Unit that is the ALE Member and that is appropriately designated for purposes of these reporting requirements.

---

**If single employer plan or employer of controlled group plan, Check Box 19 yes and complete remainder of Part 2.**

- **If #21 is yes, complete Part IV (Control Group Rules).**

---

### Full-time EE full year, MV FPL safe harbor. Use 1A on Line 14 of 1095-C. Do not compete line 15

- Qualifying offer per A to 95% of full-time EE’s in one or more CY 2015 months; Line 14 code 1A or 1I only

- Under 100 EE’s “A” in column (e), non-calendar year “B” in column (e), transition relief (2015 only)

- Offered MV, Affordable coverage to 98% of all employees and MEC to dependents all months of reporting year. Don’t complete column (b)
### Form 1094-C – ALE Transmittal

**Completed By EMPLOYER – Designated Govt. Entity**

<table>
<thead>
<tr>
<th>Month</th>
<th>ALE Member Information — Monthly</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(a) Minimum Essential Coverage Offer Indicator</td>
</tr>
<tr>
<td>23</td>
<td>All 12 Months</td>
</tr>
<tr>
<td>24</td>
<td>Jan</td>
</tr>
<tr>
<td>25</td>
<td>Feb</td>
</tr>
<tr>
<td>26</td>
<td>Mar</td>
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<td>27</td>
<td>Apr</td>
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<td>May</td>
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<tr>
<td>29</td>
<td>June</td>
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<td>July</td>
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<td>32</td>
<td>Sept</td>
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<td>33</td>
<td>Oct</td>
</tr>
<tr>
<td>34</td>
<td>Nov</td>
</tr>
<tr>
<td>35</td>
<td>Dec</td>
</tr>
</tbody>
</table>

**Check “Yes” for all months coverage MEC offered to 95% of full-time employees plus dependents.**

In 2015, also check “Yes” box for Transition Relief month (if needed).

- 50-99 FT Employees 2015
- Non Calendar Plan Year
  * 80 EE exemption
  * Offer Made to 70% FT EE
  * Jan 2015 only relief – coverage as of 1st pay in 2015

**Full-time employees not including those in Limited Non-Assessment Period**

(i.e. initial waiting period FT EE, initial measurement period + admin period PT/VAR EE measured in look back method, wait period under monthly measurement method, wait period after change in status from PT/VAR to FT, First fractional month of employment, 1st three months of calendar year in which ALE if ER didn’t offer coverage in prior year)

**Monthly employee count on (1) first or (2) last day of each month, or (3) first or (4) last day of first pay period of each month = FT + PT + Variable + Seasonal**

**Check for months in which part of controlled group**

Enter “A” if Line 22, Box C checked and employer has 50-99 employees.

Enter “B” if non calendar year Transition Relief – 100+ employees.
Form 1094-C – ALE Transmittal
Completed By EMPLOYER – Designated Govt. Entity

<table>
<thead>
<tr>
<th>Name</th>
<th>EIN</th>
<th>Name</th>
<th>EIN</th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
</tbody>
</table>

Only include other members of Controlled Group. List in descending order – highest # FT EE’s to lowest.
Minimum Essential Coverage & Applicable Large Employer (ALE) Reporting

CATBERT: EVIL DIRECTOR OF HUMAN RESOURCES

TODAY I WILL TEACH YOU HOW TO FILL OUT A 1095-C FORM FOR THE AFFORDABLE CARE ACT.

JUST RANDOMLY CHECK BOXES AND HOPE NO ONE EVER NOTICES.

I HAVE BEEN DOING THAT FOR YEARS AND IT'S A HUGE TIME-SAVER.
<table>
<thead>
<tr>
<th>Penalty</th>
<th>Old Amount</th>
<th>New Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Failure to file/furnish an annual IRS return or provide individual</td>
<td>$100</td>
<td>$250</td>
</tr>
<tr>
<td>statements to all full time employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual cap on penalties</td>
<td>$1,500,000</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>Failure to file/furnish when corrected within 30 days of the</td>
<td>$30</td>
<td>$50</td>
</tr>
<tr>
<td>required filing date</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual cap on penalties when corrected within 30 days of required</td>
<td>$250,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>filing date</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Failure to file/furnish when corrected by August 1 of the year in</td>
<td>$60</td>
<td>$100</td>
</tr>
<tr>
<td>which the required filing date occurs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cap on penalties when corrected by August 1 of the year in which the</td>
<td>$500,000</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>required filing date occurs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lesser cap for entities with gross receipts of not more than $5,000,</td>
<td>$500,000</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>000 when corrected within 30 days of required filing date</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lesser cap for entities with gross receipts of not more than $5,000,</td>
<td>$75,000</td>
<td>$175,000</td>
</tr>
<tr>
<td>000,000 when corrected within 30 days of required filing date</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lesser cap for entities with gross receipts of not more than $5,000,</td>
<td>$200,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>000,000 when corrected by August 1 of the year in which the required</td>
<td></td>
<td></td>
</tr>
<tr>
<td>filing date occurs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Penalty per filing in case of intentional disregard. No cap applies in</td>
<td>$250</td>
<td>$500</td>
</tr>
<tr>
<td>this case.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[https://www.congress.gov/114/bills/hr1295/BILLS-114hr1295enr.pdf?elqTrackId=3dbf383c69614727a7601244c2f57972&elq=b333967000df49ba98e7a500586d6ad4&elqCampaignId=2347&elqaid=9563&elqat=1](https://www.congress.gov/114/bills/hr1295/BILLS-114hr1295enr.pdf?elqTrackId=3dbf383c69614727a7601244c2f57972&elq=b333967000df49ba98e7a500586d6ad4&elqCampaignId=2347&elqaid=9563&elqat=1)
Potential Penalties for Non Compliance

May be waived if:

– Limited relief for incomplete/incorrect returns & statements filed in 2016 for 2015 - transitional relief for “good faith” efforts
– Failure due to reasonable cause (not willful neglect)
– Penalties increased if “intentional disregard”
Form 1095-C Employer-Provided Health Insurance Offer and Coverage

Review of Form 1095-C (Individual Forms)
Form 1095-C – ALE Reporting
Completed By EMPLOYER – Designated Govt. Entity

**Part I: Employee**
- Complete for all FT employees and complete for all covered other employees

**Part II: Employee Offer and Coverage**
- Code Series 1: Offer of Coverage Codes. If Use 1A or 1I, leave line 15 blank. Part time covered & non-EE use 1G
- Complete only when line 14 is 1B, 1C, 1D or 1E
- Code Series 2: Safe Harbors & Other Relief – Enter one code only per month. Always use Code 2C when applies.

**Part III: Covered Individuals**
- Include ALL covered individuals of employee
- Must include SSN or DOB only if SSN not available

- Part Time covered, Retirees, & Cobra for all 12 months of year may file using 1G above under 12 month column and complete Part III here OR may be filed on Form 1095-B MEC Coverage
## Form 1095-C Employer-Provided Health Insurance Offer and Coverage

### Line 14 – Code Series 1 (Offer of Coverage)

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1A</td>
<td>Qualifying Offer: MEC / MV offered to full-time employee, and at least MEC offered to spouse and dependents where employee contribution to employee only coverage of lowest cost plan ≤ 9.5% of FPL ($93.18/month). <em>(Can be used only if box 22A or 22B on Form 1094-C is checked.)</em> If used, leave line 15 blank.</td>
</tr>
<tr>
<td>1B</td>
<td>MEC providing MV offered to employee only.</td>
</tr>
<tr>
<td>1C</td>
<td>MEC providing MV offered to employee and at least MEC to dependent(s) (not spouse).</td>
</tr>
<tr>
<td>1D</td>
<td>MEC providing MV offered to employee and at least MEC to spouse (not dependent(s)).</td>
</tr>
<tr>
<td>1E</td>
<td>MEC providing MV offered to employee and at least MEC to dependent(s) and spouse.</td>
</tr>
<tr>
<td>1F</td>
<td>MEC NOT providing MV offered to employee, or employee plus dependents and/or spouse.</td>
</tr>
<tr>
<td>1G</td>
<td>Offer of coverage to employee not FT EE for any month of the year and enrolled 1 or more months. SELF INSURED ONLY. <strong>PT Enrolled Full Year - ENTER 1G IN “ALL 12 MONTHS” BOX – LEAVE MONTHLY BOXES BLANK.</strong> (ex. Enrolled PT Council Member). Can also be used for COBRA and Retirees covered as long as they were not active employees for any month of the year</td>
</tr>
<tr>
<td>1H</td>
<td>No offer of coverage, or offered coverage that is not MEC</td>
</tr>
<tr>
<td>1I</td>
<td>Qualified Offer Transition Relief 2015: Employee (and spouse or dependents) received no offer of coverage, received an offer that is not a qualified offer, or received a qualified offer for less than 12 months. <em>(Can be used only if box 22B on Form 1094-C is checked.)</em> If used, leave line 15 blank.</td>
</tr>
</tbody>
</table>
Form 1095-C Employer-Provided Health Insurance Offer and Coverage

Line 16 – Code Series 2 (Safe Harbors & Other Relief)

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2A</td>
<td>Employee not employed during the month. (not employed any day of the month – do not use for the month in which an employee terminates)</td>
</tr>
<tr>
<td>2B</td>
<td>Employee not a full-time employee. Employed, but not full-time, and did not enroll in MEC, if offered for the month. Also used for FT EE whose coverage ended prior to last day of month due to termination.</td>
</tr>
<tr>
<td>2C</td>
<td>Employee enrolled in coverage offered. Employee enrolled in MEC coverage offered. <strong>USE THIS CODE IF EMPLOYEE ENROLLED – SUPERSEDES ALL OTHER SERIES 2 CODES.</strong></td>
</tr>
<tr>
<td>2D</td>
<td>Employee in a section 4980H(b) Limited Non-Assessment Period. (i.e. initial waiting period, initial measurement period, initial admin period for look-back or monthly measurement) see pages 9-10 of 1095-C instructions. <strong>Use if employee in initial measurement period</strong></td>
</tr>
<tr>
<td>2E</td>
<td>Multiemployer interim rule relief. Only used for MEWA plans.</td>
</tr>
<tr>
<td>2F</td>
<td>Section 4980H affordability Form W-2 safe harbor. If used, must use for all months coverage offered</td>
</tr>
<tr>
<td>2G</td>
<td>Section 4980H affordability federal poverty line safe harbor. (May use for month in which eligible but waived)</td>
</tr>
<tr>
<td>2H</td>
<td>Section 4980H affordability rate of pay safe harbor. Note: Rate of pay calculation is based on 130 hrs. per month regardless of actual time worked. (May use for month in which eligible but waived)</td>
</tr>
<tr>
<td>2I</td>
<td>Non-calendar year transition relief applies to this employee. Enter code 2I if non-calendar year transition relief for section 4980H(b) applies. Applies to fiscal plan years that start in 2014 and run into 2015. (ex. Applies to January – September for qualifying October 1 non-calendar year plan.)</td>
</tr>
</tbody>
</table>
Full Time Employee Hired Mid-Year

Assumptions
- Hire Date: 3/18/15
- Minimum Value, MEC, EE+SP+DEP offer of coverage
- FPL Safe Harbor – EE Cont = $20/month
- Waiting Period – 1st month after 60 days
- Plan anniversary 10/1 – qualifies for transition relief

Form 1095-C – ALE Reporting
SAMPLE 1 – Full Time Employee Hired Mid Year
**Part Time / Retiree / COBRA Covered All 12 months of Year**

**Assumptions**
- Retired: 5/30/2013
- Minimum Value, MEC, EE+SP+DEP offer of coverage
- Rate of Pay Safe Harbor
- Waiting Period – 1st month after 60 days
- Plan anniversary 1/1
SAMPLE 3 – Full Time Employee / Waived Coverage at OE

Assumptions
• Plan Anniversary 7/1
• Minimum Value, MEC, EE+SP+DEP offer of coverage
• FPL Safe Harbor - $50 per month
• Waiting Period – 1st month after 60 days
Reporting Offers of Cobra Coverage

- Self Funded ALE must report enrollment of former employee or family member under COBRA. Examples provided for:
  - Codes when employee terminates & coverage declined
  - Codes when employee terminates & coverage accepted
  - Codes when employee gets COBRA due to reduction in hours
  - Form completion when Spouses and dependents of EE separately elect COBRA

## Assumptions

- **Term Date:** 6/15/2015
- **Minimum Value, MEC, EE+SP+DEP offer of coverage**
- **Rate of Pay Safe Harbor**
- **Waiting Period – 1st month after 60 days**
- **Coverage ends on date of termination**
- **Does NOT Enroll in COBRA**
Full Time Employee Termed Mid Year / Elects COBRA (Family)

Assumptions
- Term Date: 6/15/2015
- Minimum Value, MEC, EE+SP+DEP offer of coverage
- Rate of Pay Safe Harbor
- Waiting Period – 1st month after 60 days
- Coverage ends on date of termination
- Enrolls in COBRA family coverage
### Assumptions

- **Term Date:** 6/15/2015
- Minimum Value, MEC, EE+SP+DEP offer of coverage
- Rate of Pay Safe Harbor
- Waiting Period – 1st month after 60 days
- Coverage ends on date of termination
- Enrolls in COBRA self-only coverage
Full Time Employee Transitions to Part Time / Elects COBRA (Single)

Assumptions

- Full time employee covered under group health plan with self-only coverage transitions to Part-time due to reduction in hours effective 11/1
- Minimum Value, MEC, EE+SP+DEP offer of coverage
- Rate of Pay Safe Harbor
- Enrolls in COBRA self-only coverage
**Full Time Employee Transitions to Part Time / Elects COBRA (Single)**

**Assumptions**
- Full time employee covered under group health plan with self-only coverage transitions to Part-time due to reduction in hours effective 11/1
- Minimum Value, MEC, EE+SP+DEP offer of coverage
- Rate of Pay Safe Harbor
- Does NOT enroll in COBRA

---

**Form 1095-C**

**Employer-Provided Health Insurance Offer and Coverage**

**Part I - Employee**

- **Name of employee**: James Johnson
- **Social security number (SSN)**: no dashes

**Part II - Employee Offer and Coverage**

<table>
<thead>
<tr>
<th>All 12 Months</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>Aug</th>
<th>Sept</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
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</thead>
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</tr>
</tbody>
</table>

**Part III - Covered Individuals**

- **Name of covered individual(s)**: James Johnson
- **SSN**: no dashes

---

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.
### Full Time Employee with EE+S Coverage Gets Divorced / Ex-spouse enrolls in COBRA

**Assumptions**
- Self-insured plan
- Full time employee covered under group health plan with EE+Spouse coverage gets divorced on 5/15
- Employer offers COBRA to ex-spouse
- Ex-spouse enrolls in COBRA

---

#### Employee’s 1095-C

<table>
<thead>
<tr>
<th>Part I Employee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Name of employee</td>
</tr>
<tr>
<td>Keri Johnson</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Part II Employee Offer and Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>14. Offer of Coverage (Enter required code)</td>
</tr>
<tr>
<td>15. Employee Share of Covered Cost</td>
</tr>
<tr>
<td>16. Applicable Minimum Value Coverage</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Part III Covered Individuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Name of covered individual(s)</td>
</tr>
<tr>
<td>17. Keri Johnson</td>
</tr>
<tr>
<td>18. Gerald Johnson</td>
</tr>
</tbody>
</table>

---

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.
Full Time Employee with EE+S Coverage Gets Divorced / Ex-spouse enrolls in COBRA

Assumptions
- Self-insured plan
- Full time employee covered under group health plan with EE+Spouse coverage gets divorced on 5/15
- Employer offers COBRA to ex-spouse
- Ex-spouse enrolls in COBRA
**DRAFT 2015 Form**

**UPDATED DRAFT 2015 Form 1095-C (Individual Forms)**

**Updates include:**

- New field for “Plan Start Month” (Optional for 2014 and 2015 filings)
- New form includes addition of continuation sheet for those with more than 6 covered
- 2016 forms will include two additional codes to indicate whether offer to spouse is conditional offer (if applicable)
### Minimum Essential Coverage & Applicable Large Employer (ALE) Reporting

<table>
<thead>
<tr>
<th>Size</th>
<th>Coverage Type</th>
<th>MEC Coverage (Health Coverage)</th>
<th>ALE Reporting (Offer &amp; Coverage)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1095 B Part I</td>
<td>1095 B Part II</td>
</tr>
<tr>
<td>Under 50 MEC</td>
<td>Fully Insured</td>
<td>Carrier</td>
<td>Carrier</td>
</tr>
<tr>
<td>Under 50 MEC</td>
<td>Self Insured</td>
<td>DGE or Employer</td>
<td>DGE</td>
</tr>
<tr>
<td>Over 50 MEC &amp; Offer</td>
<td>Fully Insured</td>
<td>Carrier</td>
<td>Carrier</td>
</tr>
<tr>
<td>Over 50 MEC &amp; Offer</td>
<td>Self Insured</td>
<td>N/A (1095-C Part III)</td>
<td>N/A (1095-C Part III)</td>
</tr>
</tbody>
</table>
### Minimum Essential Coverage & Applicable Large Employer (ALE) Reporting

<table>
<thead>
<tr>
<th>Employee Form(s) Receipt</th>
<th>MEC Coverage (Health Coverage)</th>
<th>ALE Reporting (Offer &amp; Coverage)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Size</strong></td>
<td><strong>Coverage Type</strong></td>
<td><strong># Forms Received</strong></td>
</tr>
<tr>
<td>Under 50-MEC</td>
<td>Fully Insured</td>
<td>1</td>
</tr>
<tr>
<td>Under 50-MEC</td>
<td>Self Insured</td>
<td>1</td>
</tr>
<tr>
<td>Over 50-MEC &amp; Offer</td>
<td>Fully Insured</td>
<td>2</td>
</tr>
<tr>
<td>Over 50-MEC &amp; Offer</td>
<td>Self Insured</td>
<td>1</td>
</tr>
</tbody>
</table>

*DGE = Designated Government Entity*
New Requirement, New Forms, New IRS Systems

• Employers tasked with compiling information to comply before systems are available.
• AIR System (Not Fire System) – software developers &/or employers need new TCC & testing
• Existing vendor system data still emerging, being updated
• New independent vendors & products emerging
• Employers encouraged to identify reporting system - ERP/HRIS/Benefits Admin, Payroll vendor or 3rd party vendor
Various Third Party Reporting Options Emerging

- Software Companies in Payroll /Tax Filing Space – Reporting Only
- Developers/Retailers of Logic Based Systems with Measurement
- Developers/Retailers of Logic Based Systems with Reporting Only
- Additional Considerations:
  - Companies offering Call In Number and Coding Assistance
    - a) PDF to Employer
    - b) PDF to Employer & Mail to Employees
  - Support – telephone, chat, e-mail & hours
  - Multi year agreements & Guarantees
  - Commencement Deadlines
  - Cost – PEPM/PY/Implementation Fee
  - User Interface & ongoing Access
  - Guarantees & Professional Resources
  - Industry history/knowledge
### Minimum Essential Coverage & Applicable Large Employer (ALE) Reporting

#### Various Third Party Reporting Options Emerging

<table>
<thead>
<tr>
<th>EMPLOYEE COUNT</th>
<th>Logic A (Measurement+Reporting)</th>
<th>Logic B (Measurement+Reporting)</th>
<th>Logic A (Reporting Only)</th>
<th>Software C (Reporting Only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>$ 3,500</td>
<td>$ 1,000</td>
<td>$3,500</td>
<td>$ 369</td>
</tr>
<tr>
<td>250</td>
<td>$ 4,000</td>
<td>$ 2,500</td>
<td>$3,500</td>
<td>$ 748</td>
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<tr>
<td>500</td>
<td>$ 4,000</td>
<td>$ 5,000</td>
<td>$3,500</td>
<td>$ 1,320</td>
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<td>750</td>
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<td>$ 6,750</td>
<td>$3,500</td>
<td>$ 1,463</td>
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<td>1,200</td>
<td>$ 6,768</td>
<td>$10,200</td>
<td>$3,500</td>
<td>$ 1,980</td>
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<td>$ 12,600</td>
<td>$21,250</td>
<td>$3,500</td>
<td>$ 4,125</td>
</tr>
<tr>
<td>Implementation Fee Other</td>
<td>Yes $$$ ER Mails Return, Includes Measurement and pdf file – add’l fee for direct mailing to employees</td>
<td>Yes $$+ Includes Measurement &amp; mailing to Employees and employees</td>
<td>Yes $$$ Add’l fee per return to have mailed to Recipient</td>
<td>Low Cost $ Includes mailing to Employee</td>
</tr>
</tbody>
</table>

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GEHRING GROUP INSURANCE BROKERS & CONSULTANTS
Minimum Essential Coverage & Applicable Large Employer (ALE) Reporting

Sample Players in the Market

Measurement & Reporting
• Worxtime
• ACA Track
• Basic ACA Elevate
• Medcom
• Diversified Administrators (ACA Track)

Reporting Only
• Greatland Yearli
• HCM File Report
Minimum Essential Coverage & Applicable Large Employer (ALE) Reporting

Selection Recap

• Need for Measurement (PT, Seasonal, Variable Employees?)
• Availability of Current System Capabilities
• Data Availability & Integrity
• Timing of Data
• Preparer Support Needs
• Budget
Sections 6055 & 6056 Checklist

- Have you assigned a measurement method to each employee?
- Do you have all the enrollment election and covered individual information for all enrollees including non-employees: retirees, part time, cobra who elect coverage?
- Do you have a method of tracking enrollment changes?
- So you have a method of tracking employees who waived coverage?
- Do you qualify for any transitional relief including reporting relief?
- Do you have a method of calculating full time employees (including waivers for each month)?
- What tool will you use to complete these forms to print or mail or to file these forms electronically?
Sections 6055 & 6056 Checklist

- Review required information, notably social security numbers, currently not being maintained and collect data by OE
- Calendar due dates in Jan and Feb/Mar, 2016 for 2015 calendar year applicable forms
- Follow up with HRIS/Payroll/Enrollment systems on updated fields to collect needed data and planned reports to assist in Form completion
- Communicate with stakeholders (HR, Finance, Payroll, Benefits, Unions) of each Employer unit on plan (if applicable) and within your entity about reporting requirement. Educate Employees toward roll out (stuffer)
Compliance & Communication Tools

• Benefit admin system software
• Payroll/HRIS software
• Stand-alone reporting software
• Spreadsheets
• Employee annual coverage tracking sheet
• Payroll inserts & communication pieces
  – Insert for employees – Annual Form 1095-B/1095-C
  – Letter of anticipation
Questions?

Follow up Questions via E-mail:
Kate: kate.grangard@gehringgroup.com

For additional copies of this presentation, please email your request to cindy.thompson@gehringgroup.com or call (800)244-3696 or (561) 626-6797.