

PROTECTING THE CONSUMER'S FUTURE

NAHU

National Association
of Health Underwriters

AMERICA'S BENEFITS SPECIALISTS

PPACA EMPLOYER REPORTING REQUIREMENTS

Presented by: Trey Tompkins
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Corner Sub-Committee
President, Admin America,
Inc.

January 15, 2015

CORRECTED DATES

Compliance Corner Webinars

Slides will be archived on nahu.org under the Compliance Corner tab

The session is being recorded and will also be archived in Compliance Corner

Questions – Legislative@nahu.org

*Compliance discussions and responses offer NAHU's interpretation and research regarding application of the provisions of the Patient Protection and Affordable Care Act (PPACA). NAHU is providing this guidance as an informational resource for NAHU members. This general information is not a substitute for legal or tax advice.

About Your Presenter: Trey Tompkins

- President of Admin America, Inc.
 - Independent TPA based in Alpharetta, Georgia
 - Specializing in FSA, HRA, HSA and COBRA Administration
 - Also consults on PPACA, ERISA and HIPAA compliance
- Over 18 Years Employee Benefits Consulting Experience
- Member of NAHU's National Legislative Council
 - Co-Chair of Council's Compliance Corner Committee
 - Former Local and Statewide AHU Chapter President
- Member of the State Bar of Georgia
 - Graduate of Vanderbilt, the University of Georgia School of Law and Georgia State University's MBA Program

Employer Reporting Core Concepts

- ACA added two Sections 6055 and 6056 to the Internal Revenue Code
 - Section 6055 is related to enforcement of the Individual Mandate
 - Section 6056 is related to enforcement of the Employer Mandate
- The new sections require health insurers and/or employers to file information returns with the IRS each year
 - Mandatory Filings will begin in 2016 (for 2015)
 - Filings in 2015 (for 2014) are voluntary but encouraged by the IRS
- Information included in the returns includes:
 - Identification of employees (and dependents) who were eligible for employer sponsored coverage
 - Months of the year when eligible individuals were enrolled in coverage

Employer Reporting Forms

- **Form 1094-B** Transmittal of Health Coverage Information Returns
- **Form 1095-B** Health Coverage
- **Form 1094-C** Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns
- **Form 1095-C** Employer-Provided Health Insurance Offer and Coverage
- Draft versions of the forms were released on July 24, 2014
- Draft Instructions for the forms were released on August 28, 2014
- Final Forms and Instructions are expected later this year*
- *Final forms issued February 2015 without change from draft forms

Employer Reporting Requirements for Various Employer and Coverage Types

Plan Type / Employer Size	Less Than 50 FTEs	ALEs
Fully Insured	No Employer Reporting ¹	1094-C and 1095-C
Self Insured	1094-B and 1095-B	1094-C and 1095-C ²
No Coverage	No Employer Reporting	1094-C and 1095-C ³

Footnotes

1. Insurance Carrier Files Forms 1094-B and 1095-B
2. ALEs are permitted to use a single combined form for Sections 6055 and 6056 reporting
3. Only if the ALE has at least one Full-Time Employee

Form 1094-B Overview

- **Form Name:** Transmittal of Health Coverage Information Returns
 - **Purpose:** Enforcement of the **Individual Mandate**
 - **Who Files:** Insurance Company (fully insured plans) or self-funded plan sponsors
 - **How Many:** 1 per insurer or self-insured plan
 - **How:** Paper or Electronically
- Note:** Entities filing at least 250 returns under Sections 6055 or 6056 are required to file electronically
- **When:** Due the last day of February or
the last day of March if filed electronically

Form 1094-B

Form 1094-B		Transmittal of Health Coverage Information Returns		1115
Department of the Treasury Internal Revenue Service		▶ Information about Form 1094-B and its separate instructions is at www.irs.gov/form1094b .		OMB No. XXXXX-XXX 2014
1 Filer's name		2 Employer identification number (EIN)		
3 Name of person to contact		4 Contact telephone number		
5 Street address (including room or suite no.)		6 City or town		
7 State or province		8 Country and ZIP or foreign postal code		
9 Total number of Forms 1095-B submitted with this transmittal		▶		
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 Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 61570P

Form **1094-B** (2014)



Form 1094-B Line x Line Review

Line 1: Filer's Name – Insurance Company or Plan Sponsor

Line 3: Name of Person to Contact – Who can answer the IRS's questions

Line 9: Total Number of Forms 1095-B Submitted With This Transmittal

Form 1095-B Overview

- **Form Name:** Health Coverage
 - **Purpose:** Enforcement of the **Individual Mandate**
 - **Who Files:** Insurance Company (fully insured plans) or self-funded plan sponsors
 - **How Many:** 1 each to the IRS and to the covered individual per employee/individual covered any time during the year
 - **How:** Paper or Electronically
- Note:** Entities filing at least 250 returns under Sections 6055 or 6056 are required to file electronically
- **When:** With the IRS on or before the last day of February or the last day of March if filed electronically and
To the covered individual on or before the last day of January (February 1, 2016 because January 31 is a Sunday)

Form 1095-B

Form **1095-B**

Department of the Treasury
Internal Revenue Service

Health Coverage

► Information about Form 1095-B and its separate instructions is at www.irs.gov/form1095b.

☐ VOID

☐ CORRECTED

560115

OMB No. 1545-2252

2014

Part I Responsible Individual (Policy Holder)

1 Name of responsible individual	2 Social security number (SSN)	3 Date of birth (if SSN is not available)
4 Street address (including apartment no.)	5 City or town	
6 State or province	7 Country and ZIP or foreign postal code	
8 Enter letter identifying Origin of the Policy (see Instructions for codes): <input type="checkbox"/>		9 Small Business Health Options Program (SHOP) Marketplace Identifier, if applicable

Part II Employer Sponsored Coverage (If Line 8 is A or B, complete this part.)

10 Employer name	11 Employer identification number (EIN)
12 Street address (including room or suite no.)	13 City or town
14 State or province	15 Country and ZIP or foreign postal code

Part III Issuer or Other Coverage Provider

16 Name	17 Employer identification number (EIN)	18 Contact telephone number
19 Street address (including room or suite no.)	20 City or town	21 State or province
		22 Country and ZIP or foreign postal code

Part IV Covered Individuals (Enter the information for each covered individual(s).)

(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	Jun	Jul	Aug	Sep	Oct	Nov	Dec
23			<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"/>
24			<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"/>
25			<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"/>
26			<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"/>
27			<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"/>
28			<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. 60704B

Form **1095-B** (2014)

Form 1095-B Line x Line Review

Line 1: Name of Responsible Individual – the policy holder or the primary insured individual for a group plan (not the employer)

Line 8: Enter Letter Identifying Origin of the Policy

- Code List:
- A. Small Business Health Options Program (SHOP)
 - B. Employer-Sponsored Coverage
 - C. Government-sponsored program
 - D. Individual market insurance
 - E. Multiemployer plan
 - F. Miscellaneous minimum essential coverage

Line 9: Small Business Health Options Program (SHOP) Marketplace Identifier, if applicable – further instructions coming for 2015

Line 16: Name – The insurance carrier, the self-funded plan sponsor or the government agency

Form 1095-B Line x Line Review (Continued)

Part IV – Covered Individuals (Enter the information for each...)

Column (a): Name of Covered Individuals

Column (b): SSN – groups may not have this for all dependents (birthdays are okay if SSN is not available – don't enter both)

Column (d): Covered all 12 months – or list the individual months coverage was in effect

Form 1094-C Overview

- **Form Name:** Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns
- **Purpose:** Enforcement of the **Employer Mandate**
- **Who Files:** Members of Applicable Large Employers (ALEs) with at least one full-time employee
- **How Many:** 1 to the IRS per ALE member
- **How:** Paper or Electronically

Note: Entities filing at least 250 returns under Sections 6055 or 6056 are required to file electronically

- **When:** Due the last day of February or
the last day of March if filed electronically

Note: Medium sized ALEs must still file in 2016

Form 1094-C (Page 1)

Form **1094-C**

Department of the Treasury
Internal Revenue Service

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

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

☐ CORRECTED

120115

OMB No. XXXX-XXXX

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.)			
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			

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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?
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 Page 1 Line x Line Review

Line 1: Name of ALE Member (Employer) – Employer's name

Line 9: Name of the Designated Government Entity (only if applicable) – only if a DGE is filing on behalf of an employer

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

Line 21: Is ALE Member a Member or an Aggregated ALE Group – Client needs to know their status as a member of a Control Group for tax purposes

Form 1094-C Page 1 Line x Line Review (Continued)

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

- **Qualifying Offer Method:**
 - Qualifying offers were made to eligible full-time employees for all 12 months of the year
 - Advise not to use as it complicates return
- **Qualifying Offer Method Transition Relief -**
- **Section 4980H Transition Relief**
- **98% Offer Method**
 - Preferred method if employer offers coverage to 98% of full-time employees

Signature Line:

Form 1094-C (Page 2)

Version F, Cycle 10

120215

Page 2

Form 1094-C (2014)

Part III ALE Member Information—Monthly

		(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 type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
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"/>	

Form 1094-C Page 2 Line x Line Review

Part III – ALE Member Information - Monthly

Column (a): Minimum Essential Coverage Offer Indicator – 95% FTEs

Column (b): Full-Time Employee Count for ALE Member – May be skipped if 98% Offer Method was selected

Column (c): Total Employee Count for ALE Member – FT and PT Employees

Column (d): Aggregated Group Indicator –

Column (e): Section 4980H Transition Relief Indicator –

“A” - 50-99 Transition Relief (ALEs with fewer than 100 full-time employees)

“B” - 100 or more Transition Relief (ALEs with 100 or more full-time employees)

Form 1094-C (Page 3)

Version F, Cycle 10

120315

Page 3

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		

Form 1094-C (2014)

Form 1094-C Page 3 Line x Line Review

- List Names and EINs for other ALE Members of the Aggregated ALE Group who were members at any time during the calendar year
- Attach additional sheets if necessary

Form 1095-C Overview

- **Form Name:** Employer-Provided Health Insurance Offer and Coverage
- **Purpose:** Enforcement of the **Employer Mandate**
- **Who Files:** Members of Applicable Large Employers (ALEs) with at least one full-time employee
- **How Many:** 1 each to the IRS and to the Employee per full-time employee eligible for MEC coverage any time during the year
- **How:** Paper or Electronically

Note: Entities filing at least 250 returns under Sections 6055 or 6056 are required to file electronically

- **When:** With the IRS on or before the last day of February or the last day of March if filed electronically and

To the covered individual on or before the last day of January (February 1, 2016 because January 31 is a Sunday)

Form 1095-C

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

OMB No. 1545-2251
600115

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)	
3 Street address (including apartment no.)				9 Street address (including room or suite no.)			
4 City or town		5 State or province		6 Country and ZIP or foreign postal code		10 Contact telephone number	
11 City or town		12 State or province		13 Country and ZIP or foreign postal code			

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)													
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"/>	
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"/>	
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"/>	
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"/>	
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"/>	
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"/>	

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

Cat. No. 60705M

Form **1095-C** (2014)

Form 1095-C Line x Line Review

Part II – Employee Offer and Coverage – If the answers to the below questions are the same for all 12 months of the calendar year, only one entry is required. Otherwise, each line must be answered separately for each month

Line 14: Offer of Coverage (enter required code)

Code List:

- 1A – MEC, MV, Affordable, Family Eligibility**
- 1B – MEC, MV, Employee Only**
- 1C – MEC, MV for Employee; MEC for Dependents**
- 1D – MEC, MV for Employee; MEC for Spouse**
- 1E – MEC and MV for Employee; MEC for Spouse and Deps.**
- 1F – MEC only**
- 1G – Part-Time Employee Coverage**
- 1H – No offer of coverage**
- 1I – Qualified Offer Transition Relief 2015 – Incomplete offer of coverage**

Form 1095-C Line x Line Review

(Continued)

Part II – Employee Offer and Coverage (Continued)

Line 15: Employee Share of Lowest Cost Monthly Premium, for Self-Only Minimum Value Coverage –

Line 16: Applicable Section 4980H Safe Harbor (enter code, if applicable)

- Code List:**
- 2A – Employee not employed during the month**
 - 2B – Employee not a full-time employee**
 - 2C – Employee enrolled in coverage offered**
 - 2D – Employee in a section 4980H(b) limited non-assessment period**
 - 2E – Multiemployer interim rule relief**
 - 2F – Section 4980H affordability Form W-2 safe harbor**
 - 2G – Section 4980H affordability federal poverty line safe harbor**
 - 2H – Section 4980H affordability rate of pay safe harbor**
 - 2I – Non-calendar year transition relief applies to this employee**

Form 1095-C Line x Line Review (Continued)

Part III Covered Individuals – Only for Self-Insured Coverage (Fully-Insured coverages have this information reported by the carrier in Form 1094-C)

Column (a): Name of Covered Individuals

Column (b): SSN – groups may not have this for all dependents (birthdays are okay if SSN is not available)

Column (d): Covered all 12 months – or list the individual months coverage was in effect

Employer Reporting – Next Steps

- 1. Review final Forms and Instructions released later this year for changes**
- 2. Determine each entities expected filing requirements for 2015 in advance**
- 3. Address any shortfall in current data collection before January 1, 2015**
- 4. Implement necessary data retention process**
- 5. Schedule preparation, employee distribution and filing of returns with the IRS for early 2016 as appropriate.**

Speaker Contact Info

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Compliance Corner Webinars

- ✓ Slides will be archived on nahu.org under the Compliance Corner tab
- ✓ The session is being recorded and will also be archived in Compliance Corner

Questions – Legislative@nahu.org

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www.legislative@nahu.org

Questions?