

Group Health Plan Reporting

Chart is focused on requirements for applicable large employers

	Section 6055 reporting	Section 6056 reporting
What is primary purpose of reporting?	Administer the individual shared responsibility provision ("individual mandate") by reporting minimum essential coverage (MEC).	Administer the employer shared responsibility provision ("employer mandate") and used in determining eligibility of individuals for the Marketplace premium tax credits.
To which employers does reporting apply?	All size employers who offer MEC.	Applicable large employer (ALE) – employed an average of at least 50 full-time or full-time equivalent employees on business days during prior calendar year. (Note that for 2015 reporting is required for employers with 50 to 99 employees, even though the shared responsibility provision is delayed to 2016.)
<p>Each member of a controlled group must separately comply with these requirements. While reporting can be coordinated by one party, each member of the controlled group has the reporting obligation. Until further guidance is issued, governmental entities and churches may apply a reasonable, good faith interpretation of the controlled group.</p>		

Who is responsible for reporting?

	Section 6055 reporting	Section 6056 reporting
Self-insured group plans	Employer	Employer
Insured group plans	Insurer	Employer
Multiemployer plans	Board of trustees, association, committee, or other similar group	Employer; but administrator can report on behalf of contributing employers
Government employer	Employer for self-funded plans	Employer
<p>A government unit may appropriately designate another person or persons to report on its behalf, and furnish statements. The designated person must agree that it is the appropriately designated person and that it is responsible for the information reporting under section 6056 and is subject to the information reporting penalties.</p>		
Small business health insurance options program (SHOP) plans sold in marketplaces	Insurer	Not applicable, unless an applicable large employer
Government-sponsored programs (e.g., Medicare, Medicaid, TRICARE, CHIP, Medicare Advantage, etc.)	Appropriate federal or state government agency	Not applicable

What is timing and delivery of statements?

	Section 6055 reporting	Section 6056 reporting
What is the due date for filing the return with the IRS?	A transmittal form with the individual statements is due to the IRS by the March 31 immediately following the reporting calendar year, if filed electronically. Electronic filing is required if 250 or more individual Forms 1095-C (February 28 if not electronic filing).	
For what year is reporting first required?	The first year of reporting is for the 2015 calendar year. Voluntary reporting is encouraged by the IRS for 2014. Calendar year reporting is required, including for non-calendar year plans.	

What is timing and delivery of statements? (continued)

	Section 6055 reporting	Section 6056 reporting
What is the due date for furnishing individual statements?	A statement under section 6055 to the primary insured and under section 6056 to the full-time employee is required by the January 31 immediately following the reporting calendar year. Reporting entities showing good cause can apply for an extension of time not exceeding 30 days to furnish statements. Only one statement is required per address. Reporting entities that fail to timely furnish corrected statements when information changes may be subject to penalties.	
How must the individual statement be delivered?	Mailed to last known address. Electronic delivery is permitted, but only if the individual affirmatively consents to electronic furnishing of this specific statement. The requirement that electronic distribution of the statements follow requirements similar to providing the Form W-2 electronically will likely make this of limited use.	
Who must receive the individual statement?	Responsible individual, generally employee or former employee through whom coverage obtained.	Full-time employee. There must be only one statement for each full-time employee for the ALE.
What reporting forms are used?	<p>Individual Statement – Form 1095-B IRS Transmittal - Form 1094-B</p> <p>Entities reporting as health insurance insurers, sponsors of multiemployer plans, and self-insured group health plans that are not applicable large employers, will report under section 6055 on Forms 1094-B and 1095-B.</p> <p>Individuals who are non-employees for the entire reporting year (e.g., COBRA beneficiaries, retirees, non-employee directors) can be reported on either a 1095-C or 1095-B, at the option of the employer.</p> <p>A substitute statement that conforms with the guidance under both sections 6055 and 6056 is permitted.</p>	<p>Employee Statement – Form 1095-C IRS Transmittal - Form 1094-C</p> <p>Applicable large employers (ALEs) are required to file a combined statement for all reporting under sections 6055 and 6056. For self-insured plans, employer will provide both 6055 and 6056 information on Form 1095-C. For insured plans the insurer will provide section 6055 information on Form 1095-B and the employer will provide section 6056 information on Form 1095-C. While an ALE can submit multiple 6056 transmittals, there must be a single authoritative transmittal aggregating the ALE data.</p>
What penalties apply for failure to provide to IRS or individuals?	Generally \$100 per return, with a maximum of \$1.5 million under Code sections 6721 and 6722. Applies separately to Code sections 6055 and 6056 reporting. The IRS will not impose penalties on reporting entities that can show that they have made good faith efforts to comply with the reporting requirements. Specifically relief is provided from penalties for returns and statements filed in 2016 to report 2015 coverage, but only for incorrect or incomplete reported information, including TINs or dates of birth.	

What individuals are included in reporting?

	Section 6055 reporting	Section 6056 reporting
Which individuals are included in reporting?	<p>All individuals enrolled in MEC:</p> <ul style="list-style-type: none"> • Full-time employees • Part-time, temporary and any other non-full-time employees • Other enrolled individuals, whether or not an employee • Pre-Medicare retirees* • COBRA beneficiaries • Dependents (children and spouses) of above, and dependents of Medicare* individuals (retirees and disabled) <p>*Note: No reporting is required under section 6055 for additional or supplemental benefits that are minimum essential coverage if the primary and supplemental coverages have the same plan sponsor, or the coverage supplements government-sponsored coverage such as Medicare.</p>	<ul style="list-style-type: none"> • Full-time employees regardless of whether or not they were offered* MEC. (If an employee was full-time for one or more months of the year, the employee must be reported for the full year, including pre- and postemployment.) <p>*Note: For the 6056 reporting, full-time employee status must be based on the ACA definition of full-time employee, not the employer definition. Generally, a full-time employee is an employee who, for a given calendar month, either averages at least 30 hours of service per week or has worked at least 130 hours of service during that month. In determining whether an employee works on average at least 30 hours a week, employees compensated on an hourly basis must be credited with their actual hours of service. For salaried employees an employer may use actual hours or equivalencies of 8 hours per day or 40 hours per week to determine hours, as long as the method does not result in an understatement of hours. (For example, if an employer offers coverage to all salaried employees, the employer must still determine which salaried employees satisfy the ACA definition of full-time. Similarly, if an employer offers coverage to all employees who work 20 or more hours a week, the employer must determine which of those employees satisfy the ACA definition of full-time employee.)</p> <p>To determine full-time employee status all hours for the employee across the controlled group are combined. An employee who works for more than one member of a controlled group is treated as an employee of the member where the employee is credited with the most hours for that month. Each member includes the full-time employee in its 6056 reporting.</p>

What coverage is reported?

	Section 6055 reporting	Section 6056 reporting
What is MEC that is subject to reporting?	<p>MEC reporting includes:</p> <ul style="list-style-type: none"> • Employer-sponsored active and retiree health coverage, whether insured or self-insured, including: <ul style="list-style-type: none"> – COBRA coverage, severance – Retiree coverage, including standalone retiree-only health reimbursement accounts (HRAs) <p>Non-employer sponsored MEC includes:</p> <ul style="list-style-type: none"> • Coverage purchased in the individual market • Self-funded health coverage offered to students by universities for plan or policy years that begin on or before Dec. 31, 2014. (For later years, sponsors of these programs may apply to HHS to be recognized as MEC) • Government-sponsored health programs such as Medicare, Medicaid, CHIP and TRICARE 	<p>MEC reporting includes:</p> <ul style="list-style-type: none"> • Employer-sponsored active health coverage, whether insured or self-insured
What coverage is not subject to 6055 reporting?	<p>MEC does not include excepted benefits:</p> <ul style="list-style-type: none"> • Coverage consisting solely of excepted benefits, such as: <ul style="list-style-type: none"> – Stand-alone vision care or dental care – Most health FSAs – Critical illness and fixed indemnity plans • On-site medical clinics • Employee assistance programs (EAPs) that don't provide significant medical benefits <p>Reporting is not required for arrangements that provide benefits in addition or as supplement to MEC:</p> <ul style="list-style-type: none"> • Coverage that supplements a primary plan of employer • Health reimbursement accounts (HRAs) integrated with a health plan • Wellness programs integrated with a health plan • Coverage that supplements Medicare or other government-sponsored coverage 	Not applicable

What alternative methods are available for simplified 6056 reporting to the IRS and employee?

	Section 6056 reporting
“Qualifying Offer Method” Reporting based on certification of qualifying offers	<p>The employer does not have to report the dollar amount of the employee contribution on line 15 of the Form 1095-C, and instead uses code 1A in line 14. If a full-time employee received a Qualifying Offer for all twelve months of the calendar year, and did not enroll in self-insured coverage, the employer can satisfy the requirement to provide a Form 1095-C to the employee by providing a statement containing the following information:</p> <ul style="list-style-type: none"> • Employer name, address, and EIN • Contact name and phone number where employee can receive information about coverage offer • Statement indicating that, the employee, spouse and dependents (if any) received a Qualifying Offer and therefore are not eligible for a premium tax credit; Statement directing employee to IRS Pub. 974. <p>The method is used on an employee-by-employee basis. To use this method the employer must:</p> <ul style="list-style-type: none"> • Certify that it made a Qualifying Offer of health insurance coverage to a full-time employee. A Qualifying Offer is (1) offering the employee coverage that provides 60% minimum value at an employee cost for employee-only coverage of no more than 9.5% of the mainland single federal poverty line, and (2) also offering minimum essential coverage to employees' spouses and dependents. • Prepare and distribute 1095-C for other employees. • Provide a 1095-C to the IRS for the full-time employees.

What alternative methods are available for simplified 6056 reporting to the IRS and employee? (continued)

Section 6056 reporting

**“Qualifying Offer Method
Transition Relief”**

Reporting based on certification
of qualifying offers

For 2015 only, under the “Qualifying Offer Method Transition Relief” the employer does not have to report the dollar amount of the employee contribution on line 15 of the Form 1095-C, and instead either uses code 1A or 1I on line 14. The employer can satisfy the requirement to provide a Form 1095-C for any employee who does not have a Qualifying Offer for twelve months by providing a statement containing the following information:

- Employer name, address, and EIN
- Contact name and phone number where employee can receive information about coverage offer
- Statement indicating that, the employee, spouse and dependents (if any) may be eligible for a premium tax credit for one or more months of 2015; Statement directing employee to IRS Pub. 974
Employees who receive a Qualifying Offer for all twelve months would receive the statement under the “Qualifying Offer Method.”

To use this method the employer must:

- Certify that it made a Qualifying Offer for one or more months of calendar year 2015 to at least 95% of its full-time employees.
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“98% Offer Method”

Reporting without separate
identification of full-time
employees

Under the “98% Offer Method” the employer is not required to identify which of the employees for whom it is filing are full-time employees. To use this method the employer must:

- Certify it is offering affordable, minimum value coverage to at least 98% of employees and dependents for whom it is filing a Form 1095-C
 - Satisfy this 98% requirement for each month of the year
 - Satisfy affordability based on any of the three 4980H affordability safe harbors
 - Include all full-time employees in the reporting
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