

The Clock is Ticking

It's time to prepare for PPACA Reporting Requirements!

Established 1950

MORRIS & REYNOLDS
Insurance

The Affordable Care Act (ACA) created new reporting requirements under Internal Revenue Code (Code) Sections 6055 and 6056. Under these new reporting rules, certain employers must provide information to the IRS about the health plan coverage they offer (or do not offer) to their employees. The additional reporting is intended to promote transparency with respect to health plan coverage and costs. It will also provide the government with information to administer other ACA mandates, such as the large employer shared responsibility penalty and the individual mandate.

Filing Requirements

Under both Sections 6055 and 6056, each reporting entity will be required to file all of the following with the IRS:

- A separate **statement** for each individual who is provided minimum essential coverage (MEC) (for ALEs, this includes only full-time employees); and
- A single **transmittal form** for all of the returns filed for a given calendar year.



Under Code Section 6055, reporting entities will generally file forms 1094-B (a transmittal) and 1095-B (an information return). Under Code Section 6056, entities will file Forms 1094-C (a transmittal) and 1095-C (an information return) for each full-time employee for any month. Entities that are reporting under both sections 6055 and 6056 will file using a combined reporting method, using Form 1094-C and Form 1095-C.

EXPLAINED: 1094-C

Form 1094-C is an aggregate of all of the 1095-C's that were issued to employees. This file is submitted either electronically or via mail and informs the federal government of compliance.

EXPLAINED: 1095-C

Form 1095-C is provided to each full-time employee regardless of eligibility status and whether or not coverage was accepted. This form shows a month-by-month view of what coverage the employer offered. It also lists any safe harbors the employer elected.

Reporting Responsibilities:

Small Group (1-49)

Large Group (50+)

Forms	Small Group (1-49)		Large Group (50+)	
	Self-Funded	Fully-Insured	Self-Funded	Fully-Insured
1095-B	Employer	Carrier	N/A	Carrier
1094-B	Employer	Carrier	N/A	N/A
1095-C	N/A	N/A	Employer	Employer (does not complete Part III)
1094-C	N/A	N/A	Employer	Carrier
Individual Statements*	Employer Form 1095-B	Carrier Form 1095-B	Employer	Employer

*Copy of Form 1095-C or 1095-B depending on which forms the group needs to file.

By starting to track this information now, you'll be prepared to file these forms on time. Key dates to remember:

January 2016 All full-time employees must receive their 1095-C

February 2016 1094-C forms being submitted by mail are due

March 2016 1094-C forms being submitted electronically are due. If more than 250 1095-C's are issued the 1094-C must be sent electronically