

ADM Benefit Plans Agency, Inc. remains committed to providing, up to date, information on complying with the Affordable Care Act. Below is an update regarding large groups with 50 or more full time equivalents that we wanted to pass along:

## ACA Employer Reporting

The Affordable Care Act (ACA) added two sections to the Internal Revenue Code: Section 6055 (related to Individual Mandate) and 6056 (related to Employer Mandate). The new sections require health insurers and employers to file information with the IRS.

Your health insurance carrier will provide each subscriber with **Form 1095-B**. (insert this link here: <http://www.irs.gov/pub/irs-pdf/f1095b.pdf>) This form will show who had coverage for each month of the year, the name of the plan sponsor and the name of the carrier. The form will show what months the employee and dependents had coverage. The subscriber will use this form for verification that they had insurance for their 2015 taxes. **Please alert your employees that this form will arrive in November or December. If they discard this form they will have to contact the carrier to have it reissued, which may take several weeks and could delay their income tax filing.**

The group reporting, for which you are responsible, has two parts. **Form 1094-C** (insert this link here: <http://www.irs.gov/pub/irs-pdf/f1094c.pdf>) is a transmittal (cover page) and **Form 1095-C** (insert this link here: <http://www.irs.gov/pub/irs-pdf/f1095c.pdf>) is the Employer - Provided Health Insurance Offer and Coverage.

**Form 1095-C** includes identification of employees and dependents eligible for employer sponsored coverage and the months of the year when eligible individuals were enrolled in coverage. You will need the name, birth date and social security number for everyone covered on the insurance (employee **and all** dependents). There also is a section where you provide information about coverage offered, affordability and employee participation.

**Form 1094-C** is a transmittal cover sheet sent to the government with copies of the **1095 - C Forms**.

Forms and instructions are available. ***These forms need to be submitted for employers with 50 or more full time equivalents, even if the employer is not subject to the Employer mandate. 1095 - C Forms must be provided to all Full - Time Employees.***

Employers should begin collecting this information and consider contracting with a CPA or payroll vendor to produce the forms. It is the employer's legal responsibility to comply. Penalties for not filing or filing late are the same as failing to file Form W2. In addition to dollar penalties for failing to file or filing late, DOL/ERISA audits are a likely outcome if employees do not have the necessary paperwork to file their personal tax returns.

Also refer to the IRS Website at (insert this link here) <https://www.irs.gov/affordable-care-act/employers/employer-shared-responsibility-provisions>