

## **2015 Employer Mandate Final Forms Released: Data Should Be Captured Now**

In February 2015, the Internal Revenue Service (“IRS”) released long-awaited final versions of Forms 1095-C, 1094-C, and instructions for those forms, to be used for reporting minimum essential coverage under both the individual mandate and the employer mandate. Links to the final forms with their instructions are found below.

Even though the first round of reports are not due until early 2016, employers should start preparing and capturing 2015 data for these reports now. The information below discusses the data points to be collected. If you need assistance or have additional questions related to this, please contact your local account representative.

### **What Data Points need to be Collected?**

The following data points should be reviewed and captured:

- Whether the health coverage offered to employees is considered to be Minimum Value Coverage (i.e., 60% bronze level);
- The employee’s share of lowest cost monthly premium, for self-only Minimum Value Coverage, and
- Reports of the name, social security number, and coverage information (including months of coverage) about each individual (including any full-time employee and non-full-time employee, and any employee’s family members) covered under the health plan.

In addition to what should be captured for this reporting obligation imposed on employers by ACA, the following is a brief reminder of who will need to file a report and when, using the aforementioned forms.

### **Small Employers Exempt?**

As expected, given the delay of ‘pay or play’ for employers with fewer than 50 full-time employees, those employers generally will be exempt from reporting under the Employer Mandate. However, insurers and employers of self-insured plans (regardless of size) must report annually to both the IRS and any individual named in the report whether the individual had minimum essential coverage.

### **Larger Employers**

Larger insured plans and all self-funded plans will need to submit reports, for calendar year 2015, in early 2016. Applicable large employers will need to fill out both Form 1094-C and Form 1095-C, a transmittal cover letter and a summary of employer-provided health insurance offer and coverage insurance, respectively.

### **Streamlined Reporting**

Employers that “self-insure” will have a streamlined way to report under both the employer and insurer reporting provisions. The IRS and Treasury have finalized Form 1095-C, with 2 parts, to combine the employer reporting provisions and the insurer

reporting provisions into one form.

Employers that are subject to employer responsibility but do not “self-insure” will complete only the top sections (Part I and Part II) of the combined form (Form 1095-C).

Employers that are large enough to be subject to the employer responsibility provisions and that “self-insure” will complete all parts (Parts I, II, & III) of the combined form for information reporting. The first report will be due in early 2016, to document the 2015 calendar year. Reporting in 2015 for the 2014 calendar year is optional.

As mentioned above, applicable large employers need to capture information, for these forms, now. Month by month data, for 2015, will be required to be reported to the IRS and to applicable employees and plan participants.

*Some information required for Form 1094-C includes:*

- Identifying information regarding your organization
- Information about whether your organization offered coverage to 70% of your full-time employees and their dependents in 2015. (After 2015 this threshold changes to 95%)
- Total number of Forms 1095-C your organization issued to employees
- Information about member of the aggregated applicable large employer group, if any
- Full-time employee counts, by month
- Total employee counts, by month
- Whether your organization is eligible for certain transition relief

*Some information required for Form 1095-C includes:*

- Who is a full-time employee for each month
- Identifying information for employer and employee such as name and address
- Information about the health coverage offered by month, if any
- The employee’s share of the monthly premium for lowest-cost self-only minimum value coverage
- Months the employee was enrolled in coverage
- Months the employer met an affordability safe harbor with respect to an employee and whether other relief applies for an employee for a month
- If the employer offers a self-insured plan, information about the covered individuals enrolled in the plan, by month.

If you have questions about whether you are an applicable large employer or what data you should be capturing in 2015, or if you would like to seek additional guidance, please contact your local account management team.

**Links IRS Forms and Instructions:**

**1094-C:** <http://www.irs.gov/uac/About-Form-1094-C>

**1095-C:** <http://www.irs.gov/uac/About-Form-1095-C>