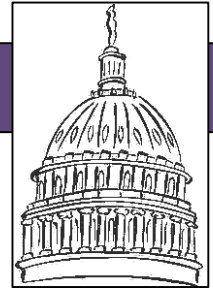




Health Care Reform Update



IMPORTANT NOTICE REGARDING HEALTHCARE REFORM Update #45 March, 2015

Employer Reporting Requirements – Start Tracking the Data Now

In early 2016, the IRS will require all employers with insured health plans a with 50 or more full-time equivalent employees (and all self-funded plans) to file information regarding their health plan and full-time employees covering the 2015 calendar year.

We feel it important to revisit a few of the requirements as employers will need to start tracking data starting with January, 2015. Before we get too far down the road, we want our clients to be aware of the basic requirements and type data to be tracked so not to be caught off guard.

IRS Forms to be Filed

Plan Type	Insurance Carrier	Employer
Fully Insured Plan with 49 or less employees	1094-B 1095-B	No Reporting Required
Fully Insured Health Plan with 50 or more employees	1094-B 1095-B	1094-C 1095-C (<u>not</u> including Section III)
Self-Funded Health Plan with 49 or less employees	No Reporting Required	1094-B 1095-B
Self-Funded Health Plan with 50 or more employees	No Reporting Required	1094-C 1095-C

IRS Forms 1094-C and 1095-C must be filed by the employer no later than February 28 if filing on paper or March 31 if filing electronically, of the year following the calendar year to which the return relates. Filers of 250 or more information returns must file the returns electronically.

Each employer must file one Form 1094-C (considered the transmittal form for the 1095-C). Also, each employer must file a Form 1095-C, however the information required on this form is different for fully insured versus self-funded plans. Self-funded plans with 49 or less full-time equivalent employees must file using Form 1094-B and 1095-B.

1095-C Fully Insured Plans

Section I and Section II must be completed for each employee who was a full-time employee of the employer for any month of the calendar year. This includes:

- Full-time employees offered and elected coverage
- Full-time employees offered and did not elect coverage (waiver)
- Full-time employees who were not offered coverage



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Section III is not required to be completed by employers with fully insured health plans. This data will be filed by the insurance carrier on a Form 1095-B. Note if the employer allows part-time employees on the health plan the carrier will report that data on Form 1095-B and make a Form 1095-B available to both full and part-time employees whose data was reported.

All employers (fully insured and self-funded) must provide a Form 1095-C to each full time employee whose data was reported.

1095-C Self-Funded Plans

Section I, Section II and Section III must include information for any employee who is eligible for the health coverage, whether or not the employee is a full-time employee for any month of the calendar year.

This includes:

- Full-time employees offered and elected coverage
- Full-time employees offered and did not elect coverage (waiver)
- Full-time employees who were not offered coverage
- Part-time employees who were offered and elected coverage

Section III must include all employees and dependents who are covered by the plan.

The employer must provide a Form 1095-C to each full time employee whose data was reported.

Data that will be required

As stated above, the data that is required should to be tracked starting in January, 2015. It is our recommendation that each client start the process of capturing the data through their HRIS or payroll systems now so they may easily extract the information when the reporting is due. For clients who cannot capture all the data in their HRIS or payroll systems we recommend placing the data in a running eligibility style report and maintain that report throughout the calendar year.

Clients with Sheakley/SyncStream ACA Dashboard

Clients that have elected to utilize the ACA Dashboard system through BLA will benefit with a seamless process that will capture the data needed to complete the report and provide the required Form 1095-B to employees. Since the release of the finalized IRS forms Sheakley/SyncStream has been working diligently to update their system to accept the data required. We expect a full release of the final file specifications in April, 2015.

BLA is prepared to assist you by obtaining the data needed through the eligibility process and providing it to the ACA Dashboard system. Our approach will be to keystroke the data directly into the ACA Dashboard system each time a new employee or dependent is added, terminated, or anytime an eligibility change is



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made. BLA is providing eligibility and COBRA services for many of our clients today which requires BLA to capture all eligibility. Data may also be kept in a CSV or Excel file that BLA can be periodically uploaded into the ACA Dashboard system.

Based on the final IRS form, Sheakley/SyncStream has provided the below data elements that will need to be captured. To ensure a seamless process, we will need each client to submit the below data with your eligibility information. You may want to contact your assigned account representative to discuss the process or if you are interested in the ACA Dashboard.

Employee Information

- Social Security Number
- Address
- City
- State
- Zip

Employer Sponsored Plan Information

- Name of Plan(s) Offered
- Name of Plan(s) Sponsor or Carrier
- Waiting Period Requirements for Eligibility
- Tiers of Coverage Available to Employees (i.e. Employee-only, Employee plus spouse, Employee plus dependents, Family coverage)
- Required Employee Contribution for Employee-only Coverage
- Plan Year

Offers of Coverage Information

- Date Coverage was Offered
- Enrollment Date
- Disenrollment Date
- Outcome of Offer (was coverage elected or waived)

For Self-Insured Plans ONLY

- Dependent Name if Covered by Plan
- Dependent Social Security Number
- Months that Dependent was Covered

Bernie Lowe & Associates, Inc. is not providing any legal advice with regard to compliance with the requirements of the Affordable Care Act ("ACA"). Bernie Lowe & Associates, Inc. makes no representation as to the impact of plan changes on a plan's grandfathered status or interpretation or implementation of any other provisions of ACA. Bernie Lowe & Associates, Inc. will not determine whether coverage is discriminatory or otherwise in violation of Internal Revenue Code Section 105(h).