



# 1094/1095 Reporting

Intermediate Course 2 Hours

Course Number 93544

By

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# Why do we have to do this reporting?



- *Because the ACA added 2 new sections to the Internal Revenue Code*
  - Section 6055 - enforcement of the Individual Mandate to have a qualified health insurance plan
    - Individuals must purchase a health insurance plan which satisfies the requirements of the ACA
    - The plan can be purchased on the Market Place Exchange, in the individual non-exchange market, or as part of an employer-sponsored group plan



# Why do we have to do this reporting?



- *Penalties apply in most cases if an individual does not have health insurance*
  - \$325 per person 18 and older in the household 2015
  - \$162.50 per person under 18 in the household 2015
  - If greater than above, 2% of yearly household income above the tax filing threshold of \$10,150





## Why do we have to do this reporting?

- Because the ACA added 2 new sections to the Internal Revenue Code
  - *Section 6056 - relates to the Employer Mandate for applicable large employers (ALE's) to offer a qualified health insurance plan to those employees working at least 30 hours per week.*
    - 2015 - employers with more than 99 full time equivalent employees
    - 2016 - employers with more than 49 full time equivalent employees



## Why do we have to do this reporting?

- Because the ACA added 2 new sections to the Internal Revenue Code
  - *Mandatory filing in 2016 for 2015*
    - Required for all employers with over 49 FTE
    - Controlled groups - employees in each of the groups must be counted
    - Filing is voluntary in 2015 for 2014 calendar year





## Why do we have to do this reporting?

- Because the ACA added 2 new sections to the Internal Revenue Code
  - *Mandatory filing in 2016 for 2015*
    - Any size employer with self-funded coverages must file in 2015
      - if under 50 FTE, use form 1094B and 1095B
      - if over 50FTE, use form 1094C and 1095C
  - Filings may be done either by the employer or the Carrier
    - Carrier in the individual market
    - Carrier in the fully insured under 50 FTE group market

# Why do we have to do this reporting?

- Because the ACA added 2 new sections to the Internal Revenue Code
  - *Penalties for not offering*
    - If no coverage is offered and at least 1 employee purchases coverage on the Marketplace Exchange and receives a subsidy, it is \$2,000 per eligible employee minus the first 30 (or for 2015, minus the first 80)



## Why do we have to do this reporting?

- Because the ACA added 2 new sections to the Internal Revenue Code
  - *Penalties for not offering*
    - If the coverage is offered but not "affordable" and the employee purchases coverage on the Marketplace Exchange and receives a subsidy, it is \$3000 per employee who receives a subsidy.





## Why do we have to do this reporting?

- Because the ACA added 2 new sections to the Internal Revenue Code
  - *Penalties for not offering*
    - The penalty for not offering affordable coverage cannot exceed the penalty for not offering coverage at all





# What's on the 1095-A?

Form <b>1095-A</b>	<b>Health Insurance Marketplace Statement</b>	<input type="checkbox"/> VOID	OMB No. 1545-2232
Department of the Treasury Internal Revenue Service	► Information about Form 1095-A and its separate instructions is at <a href="http://www.irs.gov/form1095a">www.irs.gov/form1095a</a> .	<input type="checkbox"/> CORRECTED	<b>2015</b>

## Part I Recipient Information

1 Marketplace identifier	2 Marketplace-assigned policy number	3 Policy issuer's name	
4 Recipient's name	5 Recipient's SSN	6 Recipient's date of birth	
7 Recipient's spouse's name	8 Recipient's spouse's SSN	9 Recipient's spouse's date of birth	
10 Policy start date	11 Policy termination date	12 Street address (including apartment no.)	
13 City or town	14 State or province	15 Country and ZIP or foreign postal code	

## Part II Covered Individuals

	A. Covered individual name	B. Covered individual SSN	C. Covered individual date of birth	D. Coverage start date	E. Coverage termination date
16					
17					
18					
19					
20					

## Part III Coverage Information

Month	A. Monthly enrollment premiums	B. Monthly second lowest cost silver plan (SLCSP) premium	C. Monthly advance payment of premium tax credit
21 January			
22 February			

# What's on the 1095-A?

- Health Insurance Marketplace Statement
  - *Recipient information*
    - Marketplace Identifier
    - Marketplace assigned policy number
    - Policy issuer's name









## What's on the 1095-A?


- Household Coverage
  - *Who is covered?*
  - *For each: name, date of birth, start date, termination date*
- Household information - per month
  - *Monthly premium*
  - *Monthly premium for the lowest cost silver plan in that Exchange*
  - *Monthly advance payment of Premium Tax Credit*

## What's on the 1095-A?

- Information on the 1095-A form is used to complete form 8962 to reconcile advanced credit payments or to claim tax credits when the tax return is filed
- Form can be viewed online as well as mailed



# What's on the 1094-B?

<b>Form 1094-B</b> Department of the Treasury Internal Revenue Service		<b>Transmittal of Health Coverage Information Returns</b> ▶ Information about Form 1094-B and its separate instructions is at <a href="http://www.irs.gov/form1094b">www.irs.gov/form1094b</a> .		1115 OMB No. 1545-2252 <b>2015</b>
1 Filer's name		2 Employer identification number (EIN)		<b>For Official Use Only</b> 
3 Name of person to contact		4 Contact telephone number		
5 Street address (including room or suite no.)		6 City or town		
7 State or province		8 Country and ZIP or foreign postal code		
9 Total number of Forms 1095-B submitted with this transmittal . . . . . ▶				
Under penalties of perjury, I declare that I have examined this return and accompanying documents, and, to the best of my knowledge and belief, they are true, correct and complete.				
▶ _____ Signature		▶ _____ Title		▶ _____ Date
For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.			Cat. No. 61570P	Form <b>1094-B</b> (2015)









## The 1094-B

- Purpose - enforcement of the individual mandate
- Filed by the insurance carrier for a fully insured plan
- Filed by the plan sponsor for self-funded plan



## The 1094-B

- One copy goes to the IRS and 1 copy to the employee
- May be filed either electronically or paper
- IRS must receive by
  - *February 28 (Or 29) if paper*
  - *March 31 if electronic*
- Participant must receive by January 31 (or if a weekend, the next weekday)





# What's on the 1095-B?



Form **1095-B**  
Department of the Treasury  
Internal Revenue Service

## Health Coverage

► Information about Form 1095-B and its separate instructions is at [www.irs.gov/form1095b](http://www.irs.gov/form1095b).

VOID  
 CORRECTED

560115  
OMB No. 1545-2252  
**2015**

**Part I Responsible Individual**

1 Name of responsible individual		2 Social security number (SSN)	3 Date of birth (if SSN is not available)	
4 Street address (including apartment no.)	5 City or town	6 State or province	7 Country and ZIP or foreign postal code	
8 Enter letter identifying Origin of the Policy (see instructions for codes): . . . . . ► <input type="checkbox"/>			9 Small Business Health Options Program (SHOP) Marketplace Identifier, if applicable	

**Part II Employer Sponsored Coverage** (see instructions)

10 Employer name			11 Employer identification number (EIN)	
12 Street address (including room or suite no.)	13 City or town	14 State or province	15 Country and ZIP or foreign postal code	

**Part III Issuer or Other Coverage Provider** (see instructions)

16 Name		17 Employer identification number (EIN)	18 Contact telephone number	
19 Street address (including room or suite no.)	20 City or town	21 State or province	22 Country and ZIP or foreign postal code	

**Part IV Covered Individuals** (Enter the information for each covered individual(s).)

(a) Name of covered individual(s)	(b) SSN	(c) DOB (if SSN is not available)	(d) Covered at 12 months	(e) Months of coverage											
				Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
23			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
25			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
28			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 60704B Form **1095-B** (2015)





## What's on the 1095-B?

- If employer sponsored, the name, address and federal tax id number of the employer/sponsor
- Insurance carrier name
- Individuals covered including spouse and dependents
  - *Months of coverage for each*
  - *Coverage termination date, if any*

**It's time for a 10-minute break**





# The 1094-C

Form **1094-C**

Department of the Treasury  
Internal Revenue Service

## Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns

Information about Form 1094-C and its separate instructions is at [www.irs.gov/form1094c](http://www.irs.gov/form1094c)

CORRECTED

OMB No. 1545-2251

2015

### Part I Applicable Large Employer Member (ALE Member)

1 Name of ALE Member (Employer)		2 Employer identification number (EIN)	
3 Street address (including room or suite no.)			
4 City or town	5 State or province	6 Country and ZIP or foreign postal code	
7 Name of person to contact		8 Contact telephone number	
9 Name of Designated Government Entity (only if applicable)		10 Employer identification number (EIN)	
11 Street address (including room or suite no.)			
12 City or town	13 State or province	14 Country and ZIP or foreign postal code	
15 Name of person to contact		16 Contact telephone number	

For Official Use Only



17 Reserved

18 Total number of Forms 1095-C submitted with this transmittal

19 Is this the authoritative transmittal for this ALE Member? If "Yes," check the box and continue. If "No," see instructions

### Part II ALE Member Information

20 Total number of Forms 1095-C filed by and/or on behalf of ALE Member

21 Is ALE Member a member of an Aggregated ALE Group?  Yes  No

If "No," do not complete Part IV.

#### 22 Certifications of Eligibility (select all that apply):

- A. Qualifying Offer Method     B. Qualifying Offer Method Transition Relief     C. Section 4980H Transition Relief     D. 98% Offer Method

Under penalties of perjury, I declare that I have examined this return and accompanying documents, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 61571A

Form 1094-C (2015)





## The 1094-C

- Purpose - enforcement of the employer mandate
- Filed by ALE (applicable large employer)
- One 1094 C for each ALE member of a controlled group
- Filed either paper or electronic - electronic required if over 250 1095 C
- Due date - February 28 (or 29) if paper and March 31 if electronic



## What's on the 1094-C?

- Total number of 1095 C's filed
- For each month of the year, if minimum essential coverage was offered
- Fulltime employee count
- Total employee count
- Section 4980H Transition Relief Indicator
- Names and EIN's of other ALE members in the controlled group, if any

# The 1095-C

Form **1095-C**  
Department of the Treasury  
Internal Revenue Service

## Employer-Provided Health Insurance Offer and Coverage

► Information about Form 1095-C and its separate instructions is at [www.irs.gov/form1095c](http://www.irs.gov/form1095c)

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CORRECTED

OMB No. 1545-2251

**2015**

Part I Employee				Applicable Large Employer Member (Employer)									
1 Name of employee		2 Social security number (SSN)		7 Name of employer					8 Employer identification number (EIN)				
3 Street address (including apartment no.)				9 Street address (including room or suite no.)					10 Contact telephone number				
4 City or town		5 State or province		6 Country and ZIP or foreign postal code			11 City or town		12 State or province		13 Country and ZIP or foreign postal code		

Part II Employee Offer and Coverage							Plan Start Month (Enter 2-digit number):						
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)													
15 Employee Share of Lowest Cost Monthly Premium, for Self-Only Minimum Value Coverage	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
16 Applicable Section 4980H Safe Harbor (enter code, if applicable)													

**Part III Covered Individuals**  
If Employer provided self-insured coverage, check the box and enter the information for each covered individual.

(a) Name of covered individual(s)	(b) SSN	(c) DOB (if SSN is not available)	(d) Covered all 12 months	(e) Months of Coverage											
				Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
17			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 60705M

Form **1095-C** (2015)





## The 1095-C

- Purpose - enforcement of the employer mandate
- 1 to the IRS for each fulltime employee eligible for MEC coverage at any time during the calendar year
- Filed either by paper or electronic
- Due date - February 28 (or 29) if paper and March 31 if electronic



## What's on the 1095-C?

- Offer of Coverage Codes
  - 1A- MEC, MV, Affordable, Family eligible
  - 1B - MEC, MV, Employee only
  - 1C - MEC, MV for Employee, MEC for dependents
  - 1D - MEC, MV for Employee, MEC for spouse



## What's on the 1095-C?

- Offer of Coverage Codes
  - 1E - MEC, MV for employee, MEC for spouse and dependents
  - 1F - MEC only
  - 1G - part time Employee coverage
  - 1H - no offer
  - 1T - Transition relief for 2015





## What's on the 1095-C?

- Employee share of lowest cost monthly premium for self-only Minimum Value



## What's on the 1095-C?

- Safe Harbor Code if applicable
  - 2A - *Employee not employed during the month*
  - 2B - *Employee not fulltime*
  - 2C - *Employee enrolled in coverage offered*
  - 2D - *Employee in limited 4980 H (b) limited non-assessment period*



## What's on the 1095-C?

- Safe Harbor Code if applicable
  - *2E - Multi-employer interim relief*
  - *2F - Form W2 Safe Harbor*
  - *2G- Federal Poverty Level Safe Harbor*
  - *2H - Rate of pay Safe Harbor*
  - *2I - Non-calendar year transitional relief*









# Electronic Filing - What are the steps that E-filers must take?

- AIR System must be used
  - *Affordable Care Act Information Return System*
  - *Other IRS filing systems do not support any of the 1094 or 1095 returns*
  - *Only after tax reimbursement of individual premium*
  - *Some schemes currently on the market attempt to avoid this, but they are not permissible*



## Electronic Filing - What are the steps that E-filers must take?

- Identify the Issuer - any provider of MEC
- Transmitter - A 3rd party filing information returns on behalf of an issuer that is required to file



## What are the steps prior to E-filing?

- Identify Responsible individual and contacts
  - *Responsible individual has the authority over the electronic filing for the firm or organization*
  - *Responsible individual is the first point of contact for the IRS*
  - *Contacts are individuals who may be responsible for transmitting and/or are available for inquiries from the IRS on a daily basis*
  - *At least 1 responsible individual and 2 contacts must be provided on the application*





## What are the steps prior to E-filing?

- Register with IRS E-Services
  - *Responsible individual and contacts need to be authenticated by IRS*
  - *Asks for personal information including adjusted gross income*
  - *IRS will mail registration code*
  - *Person must then log in within 28 days and enter the code*





## What are the steps prior to E-filing?

- Apply for Transmitter Control Code
  - *Transmitter must complete the ACA Information Return Transmitter Control Code application*
  - *This can only be done online*
- D. Participate in testing
  - *Transmission must be prepared in xml format*
  - *Submit for processing*
  - *Receive receipt ID*
  - *Obtain acknowledgment*

