

Summary of Section 6055 and 6056 Reporting Required Under the Affordable Care Act

Beginning in 2015, the Affordable Care Act requires employers and providers of minimum essential coverage to comply with the reporting requirements of Internal Revenue Code Section 6055 and, if applicable, Section 6056, for each covered individual. Employers will satisfy the reporting requirements by using forms prescribed by the IRS.

I. General Section 6055 Reporting Requirements

- Designed to confirm whether individuals have acquired minimum essential coverage
- All providers of minimum essential coverage must report under Section 6055 and will use forms 1094-B and 1095-B
- Reporting is required for all covered individuals, reporting is not required for individuals who are not enrolled in coverage
- Providers of coverage are only responsible for reporting information on minimum essential coverage, supplemental coverage reporting is not required
- For plans established and maintained by more than one employer, each participating employer is considered the Plan Sponsor and required to report on its covered individuals
- A 1095-B statement must also be furnished to each Responsible Individual

1. Information Required to be Reported

- Name and Tax ID Number for each Responsible Individual and each covered individual
 - A date of birth may be reported in place of the Tax ID Number only if the Tax ID Number is unable to be retrieved with reasonable efforts
- Name, address, and Employer Identification Number of the plan sponsor
- Months for which the individual is enrolled in and entitled, for at least one day, to receive benefits under the coverage

2. Must government employers that maintain self-insured health plans report under Section 6055?

- Yes. Government providers of minimum essential coverage must satisfy Section 6055 reporting requirements. However, unique rules apply allowing government employers to designate a related governmental unit, or an agency or instrumentality of a governmental unit, as the person or entity to file the returns and furnish the statements for the government employer.

II. General Section 6056 Reporting Requirements

- Designed to confirm whether an Applicable Large Employer offers minimum essential coverage to its full-time employees and their dependents
- Applicable Large Employers subject to the Affordable Care Act's Employer Mandate, whether fully-insured or self-insured, are required to report under Sections 6055 and 6056
 - Generally, an Applicable Large Employer is an employer that employed an average of at least 50 full-time employees on business days during the preceding calendar year
- Applicable Large Employers will satisfy reporting requirements under both Sections 6055 and 6056 by filing forms 1094-C and 1095-C for each full-time employee, regardless of whether that employee was offered coverage
- A 1095-C statement must also be furnished to each full time employee

1. Information Required to be Reported

- Name, address, and Employer Identification Number of the Applicable Large Employer
- Name and telephone number of a contact person representing the Applicable Large Employer
 - This contact person is not required to be an employee of the Applicable Large Employer
- Certification of whether the Applicable Large Employer offered to its full-time employees, and dependents, the opportunity to enroll in minimum essential coverage under an eligible employer-sponsored plan, by calendar month
- Number of full-time employees for each calendar month
- Total number of employees for each calendar month
- Whether the Applicable Large Employer is a member of an aggregated group, and, if applicable, the Member Name and Employer Identification Number of each member of the aggregated group constituting an Applicable Large Employer
- For each full-time employee:
 - Months during the calendar year for which minimum essential coverage was available
 - The employee's share of the lowest cost monthly premium for self-only coverage providing minimum value offered to that employee, by calendar month
 - Name, address, and Tax ID Number of the employee, and the months, if any, during which the employee was covered under an eligible employer sponsored plan
 - Whether the employee's effective date of coverage was affected by a permissible waiting period under Section 4980H during each calendar month
 - Whether coverage meeting minimum value was offered to:
 - The employee only;
 - The employee and the employee's dependents only;
 - The employee and the employee's spouse only; or
 - The employee and the employee's spouse and dependents

- Whether coverage was not offered to the employee and:
 - Any failure to offer coverage will not result in a payment under 4980H(a) or (b);
 - The employee was not a full-time employee;
 - The employee was not employed by the ALE during that month; or
 - No other code or exception applies
- Whether coverage was offered to the employee although the employee was not a full time employee, for each month
- Whether the employee was covered under the plan
- Whether the Applicable Large Employer met one of the affordability safe harbor tests with respect to the employee

2. Are nonprofit and government entities required to report under Section 6056?

- Yes. Tax-exempt and other government entities—whether federal, state, local, or Indian tribal governments—must meet Section 6056 reporting requirements.

III. Filing Deadlines

- Applicable Large Employers and providers of minimum essential coverage must begin filing under Sections 6055 and 6056, as applicable, for the 2015 calendar year
- Returns must be filed with the Internal Revenue Service no later than February 28 (March 31, if filing electronically) of the year immediately following the calendar year to which the return relates
- Statements must be furnished to employees no later than January 31 of the year immediately following the year for which the return relates

IV. HealthSmart's Role

- For Applicable Large Employers required to report under Section 6056, HealthSmart will provide the eligibility information necessary to assist with completing Part III of Form 1094-C.
- HealthSmart has developed a relationship with MedCom, a leading expert in providing full compliance services to prepare and file reports required under Sections 6055 and 6056.
- Please contact your HealthSmart Account Executive for additional information and preferred pricing for third party vendors prepared to assist you in meeting your Affordable Care Act mandated reporting requirements.