

Non-ALE Regulatory Reporting

August, 2016 | 2:00-3:00 PM

Champion the Integrity of the Healthcare Dollar by Optimized Efficient
Performance Based Outcome | Dedicated to Service | Engage in the Process |
Embrace in Proactive Opportunities for Improvement | Execute with Excellence

Political Subdivision Value Based Synergy Managing the Multi-Faceted Solutions
to Healthcare Costs and Performance Based Outcome

24/7/365

Pending Regulatory Compliance Deadlines/ 3 year record retention

➤ IEBP Solutions for Regulatory Reporting 6055 and 6056 Calendar Year 2015

- IEBP will purchase at bulk rates Individual Transmittals in 10,000 increments. Employer will be billed for the following:
 - Transmittal corrections will be an additional \$0.9130/**\$1.10** fee per employee individual transmittal plus admin fee

Reporting Requirement	2017 IEBP Date	IEBP Greatland Submission Date	2017 IRS Date
Individual Transmittal Mail Date	December 31, 2016	January 6, 2017	January 31, 2107
Paper Copies of Form 1095 to IRS	IEBP Bulk Electronic Submission	IEBP Bulk electronic Submission	February 28, 2017
E-file Form 1095 to IRS	February 24, 2017	March 3, 2017	March 31, 2017
Census Count Date	June 30, 2016 50 or more is ALE		

If the due date falls on a Saturday, Sunday, or legal holiday, you can provide the copy on the next business day.

Regulatory Reporting Administrative Update

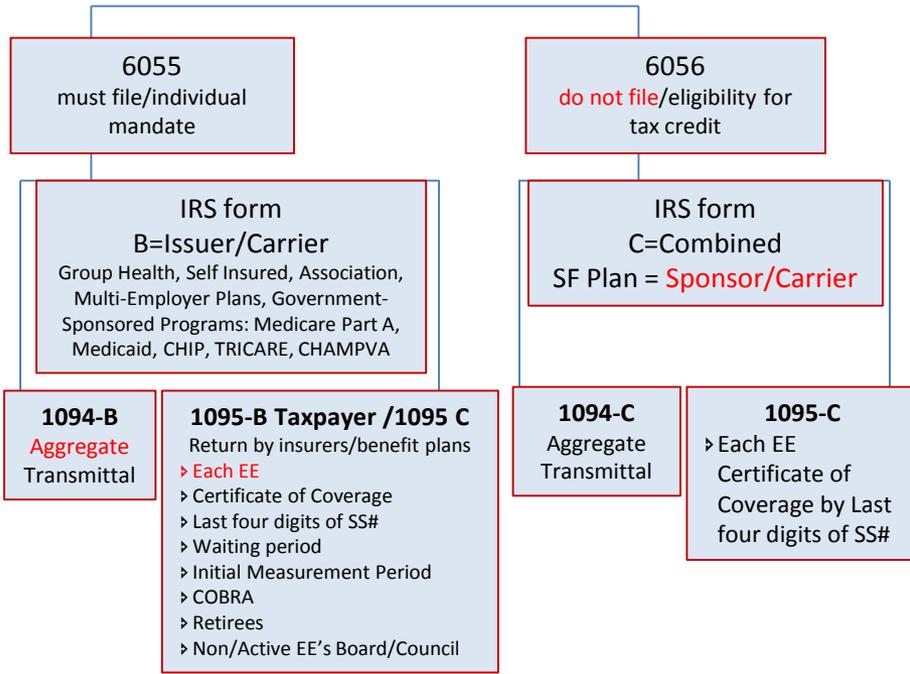
- Regulatory Reporting Rejections
 - August 8th deadline for update on rejection report
 - 600 individual level
 - 300-400 employers that needed to be updated
 - Two level of rejections
 - Employer TIN and Name of Employer
 - SS# and Employee Name
- September bill will have last year's regulatory reporting fee \$1.10 PEPY
- 2016 Spreadsheet should be ready in September

Minimum Essential Coverage Reporting with Transitional Relief Options

Individual Transmittal Jan.31st; IRS Filing: <250 **Paper Filing Feb.28th**; **Electronic Filing Mar.31st**; >250 must file electronically, if regular due date falls on a weekend or legal holiday, file the next business day. 95% accuracy delayed 70% covered - Excess of 13/26 week break in employment new hire; <50/<100 Non-ALE Regulatory Reporting; ≥50/≥100 W-2 Play or Pay ALE Regulatory Reporting

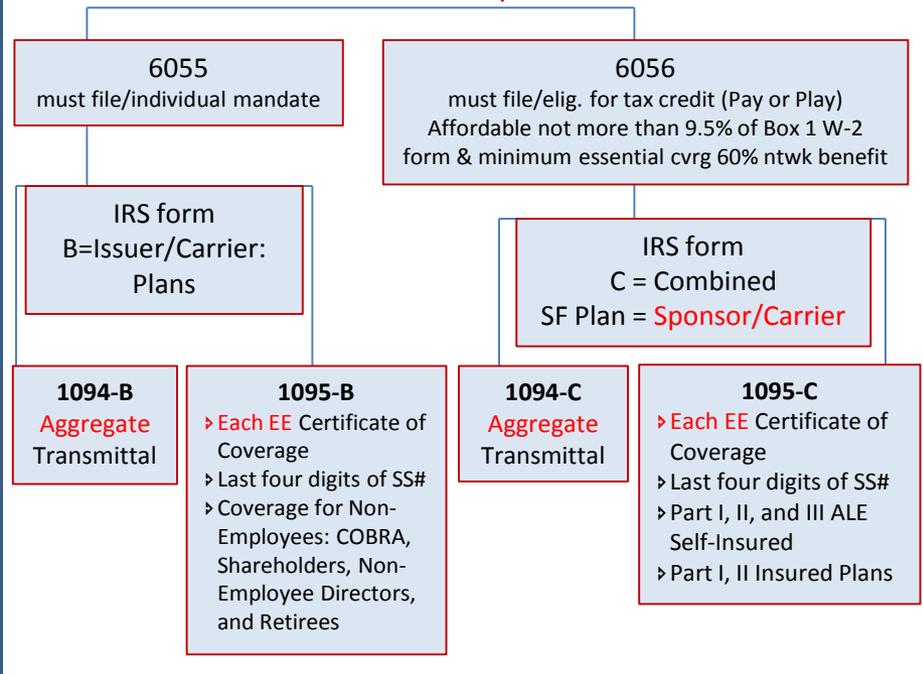
Small Employers

<50/<100 EEs (30 hours a week, 130 hours a month, 1560 hours a year) for the census ALE/Non-ALE FTE count



Applicable Large Employers ALE

≥50/≥100 EEs compliance with FTE (30 hours a week, 130 hours a month, 1560 hours a year) access to benefit compliance



For Section 6055 1094-B Aggregate 1095-B Taxpayer:

- Reporting required by anyone that provides minimum essential coverage.
- This report is used to determine months in which an individual is covered by minimum essential coverage. (Section 5000A)

For Section 6056 1094-C Aggregate 1095-C Taxpayer:

- Information about the employer offering coverage (incl. contact information and # of full-time employees).
- For each full-time EE, information about the coverage (if any) offered to the EE, by month, incl. the lowest EE cost of self-only coverage offered.
- This report is used to determine an EE's eligibility for premium tax credit. (Section 4980H)

File: Department of Treasury, IRS Center, Austin, TX 73301; Oklahoma- Department of Treasury, IRS Center, Kansas City, MO 64999

Penalties are reported on IRS Form 8928. Reporting penalties under sections 6721 and 6722. Penalty Relief 2015 if good faith effort is documented.

For each full-time EE of an employer, there must be only one Form 1095-C filed for employment with that employer. If EEs work for more than one employer, the EE will have multiple individual transmittals. Form 1094-C for estimated 4 hours; Form 1095-C for estimated 12 minutes (Federal Government Estimate)

Reporting Extension Requests

- ▶ Extension of Time to Furnish Statements to Recipients
 - Form 8809 - Thirty (30) day Extension of Time to furnish statement to Recipients:
 - IRS Information Returns Branch, Attn: Extension of Time Coordinator, 240 Murall Drive, Mail Stop 4360, Kearneysville, WV 25430.
 - Must file Form 8809 by the due date of the returns in order to get the 30-day extension.
 - The letter must include:
 - (a) filer name
 - (b) filer TIN
 - (c) filer address
 - (d) type of return
 - (e) a statement that extension request is for providing statements to recipients
 - (f) reason for delay
 - (g) the signature of the filer or authorized agent
 - Your request must be postmarked by the date on which the statements are due to the recipients. If your request for an extension is approved, generally you will be granted a maximum of thirty (30) extra days to furnish the recipient statements.
 - For purposes of requesting an extension of time to furnish the statements, the term filer means the ALE Member or the Designated Government Entity, if applicable.
 - The form may be submitted on paper or through the FIRE System either as a fill-in form or an electronic file.
 - No signature or explanation is required for the extension.
 - Under certain hardship conditions you may apply for an additional 30-day extensions.

Reporting Waiver Request

▶ Waivers

- To receive a waiver from the required filing of information returns electronically, submit **Form 8508**.
- Request for Waiver from filing information returns electronically at least 45 days before the due date of the returns.
- You CANNOT apply for a waiver for more than one tax year at a time.
- If you need a waiver for more than one tax year, you must reply at the appropriate time each year.
- If a waiver for original returns is approved, any corrections to the same types of returns will be covered under the waiver.
- However if you submit original returns electronically, but you want to submit your corrections on paper, a waiver must be approved by the corrections if you must file 250 or more corrections.
- If you receive an approved waiver, do not send a copy of it to the service center where you file your paper returns.
 - Keep the waiver for your records only.
- If you are required to file electronically, but fail to do so, and you do not have an approved waiver,
 - you may be subject to a penalty of \$250 per return for failure to file electronically unless you established reasonable cause.
 - You can file up to 250 returns on paper.

Corrected Returns on Paper Forms

- ▶ A corrected return should be filed as soon as possible after an error is discovered. File the corrected returns as follows:
 - Form 1094-C: If correcting information on the Authoritative Transmittal (identified on Part I, line 19, as the Authoritative Transmittal, which must be filed for each employer reporting aggregate employer-level data for all full-time employees of the employer), file a standalone fully completed Form 1094-C including the correct information and enter an "x" in the CORRECTED checkbox. Do not file a return correcting information on a Form 1094-C that is not the Authoritative Transmittal.
 - Form 1095-C: If correcting information on a Form 1095-C that was previously filed with the IRS, file a fully completed Form 1095-C including the correct information and enter an "x" in the CORRECTED checkbox. File a Form 1094-C Transmittal (DO NOT mark the CORRECTED checkbox on the Form 1094-C) with corrected Form(s) 1095-C.
 - Furnish the employee a copy of the corrected Form 1095-C unless the employer is eligible to use the Qualifying Offer Method or the Qualifying Offer Method Transition Relief for 2015.
 - Note: Enter an "x" in the corrected checkbox only when correcting a Form 1095-C previously filed with the IRS. If you are correcting a Form 1095-C that was previously furnished to a recipient, but not filed with the IRS, write CORRECTED on the new Form 1095-C furnished to the recipient.

Safe Harbor Options

➤ Affordability

- **2015:** No greater than **9.56%** of employee's wages as reported in Box 1 of the W-2 Form;
- **2016:** No greater than **9.66%** of Box 1 of most cost effective benefit plan option

➤ Rate of Pay Calculation

- Hourly rate times 130 times 9.66. Example: \$10/hour x 130 = \$1,300 x .0966=\$125.58 month (up to 9.66% of rate of pay)

➤ Federal Poverty Level

- 2015 \$92.39 calendar year EE only
- 2015 \$93.18 non-calendar year EE only
 - IRS has proposed several hardship waivers for individuals.
 - One is if the premium paid by the individual exceeds 8.05% of the individual (family) adjusted gross income.
- **Awaiting 2016**

➤ Individual Hardship Waivers

- 2015 One is if the premium paid by the individual exceeds 8.05% of the individual (family) adjusted gross income.
- **Awaiting 2016**

Transitional Relief

▶ Play or Pay Penalty

- Penalties may apply for failure to timely and correctly file with the IRS or furnish statements to individuals/transitional relief penalties may be delayed
- Transitional Relief
 - Full-time employees **deductible transition relief**.
 - ▶ 2015: 80 deductible
 - ▶ 2016: 30 deductible
 - A large employer is responsible to offer minimum essential **affordable coverage relief** no greater than **9.66%** of an employee's wages as reported in Box 1 of the W-2 Form.
 - ▶ 2015: 70%
 - ▶ 2016: 95%
- Minimum Essential Coverage
 - 4980H(b) Penalty minimum value 60% benefit percentage for network services
- Definition of Applicable Large Employer
 - 2015: ≥100
 - 2016: ≥50
- Individual Healthcare Mandate Penalty
 - CY2014 Individual Mandate Tax penalty is \$95 per individual or \$285 per family or 1% of household income
 - CY2015 Individual Mandate Tax penalty is \$325 per individual or \$975 per family or 2% of household income

Penalties

Calendar Year 2016 Penalties

Failure	Previous Penalty Amount	New Penalty Amount
<p>For 2015 reporting, the IRS will not impose penalties on a filer for reporting incorrect or incomplete information if the filer can show that it made good faith efforts to comply with the information reporting requirements for 2015.</p>		<p>The penalty for failure to file a correct information return is generally \$260 for each return for which such failure occurs. The total penalty imposed for all failures during a calendar year cannot exceed \$3,193,000.</p>
<p>Failure to timely meet the filing requirements may be eligible for penalty.</p>		<p>Penalty for failure to provide a correct payee statement is \$260 for each statement with respect to which such failure occurs with the total penalty for a calendar year not to exceed \$3,193,000</p>

August 1, 2016 “Draft”

- Employers with 50 or more full-time employees will complete 6056
 - Forms 1094-C Aggregate
 - Forms 1095-C Individual Transmittal
- Reporting will include:
 - Employer shared responsibility (affordability)
 - Minimum essential coverage (60% Network Benefit Coverage)

ALE/Non-ALE Action Steps Aggregating Census Count

➤ Basic Steps

- Review aggregating census count rules and identify if or when your employer is ALE or Non-ALE qualified

<p>Congress passed a law <u>exempting Tricare and Veterans from the counting of eligible employees</u> only as it relates to the threshold of whether or not an employer has more than 50 FTEs.</p>	<p>Must report on <u>retirees who access the self-funded plans and are not enrolled in Medicare</u>; Medicare Supplemental Programs or Medicare Advantage Plans are not reported</p>
<p><u>Union employees</u> who are full-time can trigger play or pay aggregating census count.</p>	<p>Reporting requirements mandated for <u>any months employee was on employer plan</u></p>
<p>Defined as an employee who works <u>120 hours per month for consecutive six month period to determine number of employees</u></p>	<p><u>Surviving spouses</u> will be reported if their coverage was not related to their spouse's active employment for one or more months in a calendar year.</p>
<p><u>12.6.15 Debate if COBRA and Worker's Comp employees count toward aggregating census (Outstanding)</u></p>	<p><u>Spouses of Retirees who are not eligible for Medicare A and/or B that are enrolled must be reported.</u></p>
<p>Employers are not required to count employees covered by TRICARE or VETS in determining if they are an Applicable Large Employer (ALE) under the Affordable Care Act (ACA).</p>	

ALE/Non-ALE Preparatory Steps

▶ Basic Steps

- Develop a Regulatory Reporting Strategy
 - Employer Education Meetings
 - ▶ Management Team
 - ▶ Payroll Red Flags
 - ▶ Human Resources FTE Impact
 - Review Actual Forms and Instructions
 - Assign personnel accountability for data sources required in the regulatory reporting
 - Determine and coordinate the data sources and the compilation of the data into the IRS Forms
 - Determine how the records are going to be maintained and archived
 - Identify a method to track waiting periods (IEBP requires new hire enrollment forms upon hire. IEBP's system would then track the waiting period information)
 - ▶ Timely enrollment is critical due to the monthly regulatory documentation requirement
 - Determine how the employee demographic information is going to be most accurate for transmittal distribution
 - ▶ Employers may include an employee's statement with his or her W-2 Form mailing
 - Mandate requires information attempt on social security numbers to be three documented attempts, if not social date of birth will be acceptable
 - Determine cost of most cost effective benefit plan option (affordability no more than **9.66%** of box 1 on W-2)

ALE/Non-ALE Preparatory Steps

▶ Basic Steps

- Determine if existing payroll, benefits administration, or in-house resources will be able to:
 - Extract necessary data to determine full-time employee status, and other required fields
 - Generate the required forms with each field properly populated
 - Distribute required forms to employees, and file to IRS and individual transmittals
 - Handle appeals or notification letters
 - Respond to employee inquiries
 - Document an audit trail
 - Consent required to furnish individual transmittals electronically by January 31, 2016
 - ▶ Individual may consent on paper or electronically, such as by email. If consent is on paper, the individual must confirm the consent electronically.
 - ▶ Information must be provided on how to access the individual transmittal electronically.
 - Privacy Act and Paperwork Reduction Act Notice
 - COBRA is made to a former employee upon termination of employment should not be reported as an offer of coverage on line 14.
 - COBRA that is made to a former employee upon termination of employment should not be reported as an offer of coverage. An employee who receives COBRA due to reduction in hours should be reported.
 - Coverage for non-employees (directors, retirees, non-employees COBRA) can be reported on 1095-C lines 17-22. Options to use Forms 1094-B and 1095-B
- Electronic Submission of Individual and Aggregate Transmittal

Electronic Individual Transmittal

- ▶ The employer must provide the employee with a clear and conspicuous disclosure statement containing each of the following disclosures before or at the time of the employee's affirmative consent:
 - Employer must inform the employee that the Form 1095-C will be furnished on paper if the employee does not consent to receive it electronically.
 - The employer must inform the employee of the scope and duration of the consent.
 - The employer must inform the employee of any procedure for obtaining a paper copy of Form 1095-C after giving consent to receive the statement in an electronic format and whether a request for a paper statement will be treated as a withdrawal of consent.
 - The employer must inform the employee that he/she may withdraw a consent by writing (electronically or paper) to the person or department whose name, mailing address, telephone number, and e-mail address is provided in the statement; the employer will confirm the withdrawal and the date on which it takes effect, in writing (electronically or on paper) and a withdrawal of consent does not apply to a statement that was furnished electronically before the date on which the withdrawal of consent takes effect.
 - The employer must inform the employee of the conditions under which the employer will cease furnishing Form 1095-C electronically (for example, after termination of the employee's employment).
- ▶ Identical requirements to Electronic W-2 form
 - The employee must affirmatively consent to receive Form 1095-C in an electronic format.
 - The consent may be made electronically in a manner that reasonably demonstrates that the employee can access the statement in the electronic format when furnished; alternatively, the consent may be made in a paper document that is confirmed electronically.
 - The consent may be made in a paper document that is confirmed electronically.
 - The consent requirement is NOT satisfied if the employee withdraws the consent, and the withdrawal takes effect before the statement is furnished.

ALE/Non-ALE Preparatory Steps

➤ What does Employee Need to Do?

- You are receiving the 1095-B form for documentation compliance for the Insurance Mandate
- Keep Form 1095-B with other important tax information, like Form 1099 or W-2
- Individual Transmittal maintains Identical requirements to Electronic W-2 form
- The employee must affirmatively consent to receive Form 1095-C in an electronic format
- The consent may be made electronically in a manner that reasonably demonstrates that the employee can access the statement in the electronic format when furnished; alternatively, the consent may be made in a paper document that is confirmed electronically.
- The consent may be made in a paper document that is confirmed electronically.
- The consent requirement is NOT satisfied if the employee withdraws the consent, and the withdrawal takes effect before the statement is furnished.

ALE/Non-ALE Action Steps

➤ Reporting Time Measurement Periods

- Administrative Period of no more than 90 calendar days between the end of the Measurement Period and the start of the Stability Period
 - 6/9/12 Months
- Look-Back Measurement Period is a review of positions that meet the FTE definition. Define a standard Measurement Period not less than 3 months, not more than 12 months.
 - 3/6/12 Months
- Stability Period must be at least 6 consecutive calendar months. Stability Period may not be shorter than the Measurement Period.
 - Stability Period 6-12 months
- Payroll system should track worked and unpaid hours (disability, sick, WC, vacation, jury duty, FMLA, etc.)
- Waiting Period cannot be in excess of 90 days unless documented 30-day orientation period

ALE/Non-ALE Action Steps

➤ The Able Act

- Recent legislation, known as the ABLE Act that takes effect in 2016 will require certified professional employer organizations (PEOs) to be responsible for customer-employer's employment taxes and withholding obligations. A PEO is a certified PEO if the PEO posts a bond, complies with reporting obligations and submits audited financial statements. Although a PEO will be treated as an employer in the sense that it is responsible for paying employment taxes, the ABLE Act specifies that the Act "shall not be construed to create any reference with respect to the determination of who is an employee or employer for Federal tax purposes or for any other purposes. This means that the employers utilizing a PEO will not be able to automatically exclude PEO employees for 4980H purposes.
- Under common-law rules, anyone who performs services for you is your employee if you can control what will be done and how it will be done. Assessment if assigned employees are considered to be common law employees of the entity receiving their services.
 - Option I: Ensure the Assigned Employees are NOT the Contracting Entity's common law employees under IRS common law analysis (and/or if they are common law employees, that the number is small enough as to not trigger the significant 4980H(a) penalty for any month); "Do Nothing"
 - Option II: Assume that the Assigned Employees will be considered as the Contracting Entity's employees and take advantage of the IRS safe harbor by requiring the staffing firm to provide coverage under terms that would satisfy the Employer Mandate if they were employees of the Contracting Entity; or "Require the Staffing Firm or PEO to offer Coverage Under this approach, the Contracting Entity would require the staffing firm or PEO to offer affordable, minimum value coverage to each Assigned Employee who is a full time employee while working for the Contracting Entity."
 - Option III: Assume the Assigned Employees are the Contracting Entity's employees and manage Assigned Employee hours to ensure they work no more than 130 hours in any month for the Contracting Entity. "Under this option, the Contracting Entity assumes that the Assigned Employees are its employees but does not require the staffing firm or PEO to offer coverage. Instead, the Contracting Entity manages hours down (or requires the staffing firm or PEO to contractually manage hours down) to less than 130 hours in a month so the Assigned Employees are not full-time in any given month."
- The Contracting Entity should address the newly issued 6055 and 6056 reporting requirements. Unlike the 4980H regulations, the regulations issued for the reporting requirements and the instructions for the applicable IRS forms (e.g., 1094-C and 1095-C) do not specifically address staffing firms. The common law employer of an employees must file Form 1095-C if the employee is full-time.

FTE Calculation in Measurement Period

- What is Measurement Period for FTE (*used primarily for new hires and status changes*)
 - Employers may measure full-time status using either a Look-Back or monthly measurement method.
 - Look-Back Period: 3, 6, 12 months
 - Stability Period: 6-12 months
 - Must be at least six (6) consecutive calendar months, but may not be shorter than the Measurement Period
 - Administrative Period
 - No more than ninety (90) days between the end of the Measurement Period and the start of the Stability Period
 - Waiting Period cannot be in excess of 90 days unless document 30-day orientation period
- Full-Time Equivalent
 - 30 hours a week
 - 120 hours a month for a 4 week month
 - 150 hours a 5 week month
 - 130 hours a month/1560 hours a year
 - Assure coverage to all full-time equivalent employees and their biologic and/or adoptive children
 - Sick, family leave, vacation hours, jury duty hours accumulate to the full time calculation
- Seasonal employee
 - Hired for typically not more than 6 consecutive months each year;
 - May be measured under look-back period up to 12 months from date of hire, no benefits need to be offered until end of measurement period if deemed to be a FTE employee.
 - Employees rehired with less than a 13/26 week break in employment may apply "rule of parity" if rehired with a greater than 13/26 week break, will be treated as new hire.
 - Employer may exclude seasonal employees if the only reason why employer employed more than 50 employees was due to seasonal employees who worked less than a 120 days
 - Employees not paid on an hourly bases may be calculated on (1) counting actual hours of service; (2) using a days-worked equivalency, which credits the employee with 8 hours of service for each day or (3) using a weeks-worked equivalency of 40 hours of service per week.

FTE Calculation in Measurement Period

- Interns, volunteers and/or grant compensated employees should be included in FTE assessment
- Who is Full-Time
 - Contract Workers
 - Workers from a professional staffing agency will defer to state definition of employee for measurement requirement application.
 - Variable Hours
 - Employee hours that fluctuate week to week over and under 30 hrs/wk
 - Break in employment 13/26 (ISD) weeks is considered new hire
- Who are **not** considered FTE
 - Federal or state sponsored volunteers who do not receive compensation except for reimbursement of reasonable expenses and certain reasonable benefits and nominal fees
 - Hours worked for income that is taxed as income from sources outside the U.S.
 - Unpaid interns
 - Students in federal work-study programs
 - Typically independent contractors, sole proprietors, volunteers, and partners are not included in the Measurement Period
 - Volunteer Firefighters (at this time)
 - At this time the IRS has not initiated a formal rulemaking proceeding to determine whether volunteer firefighters (or any other volunteer) are to be considered employees for purposes for the Affordable Care Act.
 - Therefore, it would be premature to draw any conclusions on how the IRS could rule on this issue or to take action in support of any legislation without more clarification.
 - Contract workers from a professional staffing agency will defer to state definition and staffing agency agreement (who maintains will over employee—what shall be done and how it shall be done, who furnishes tools)
 - ***still in question 12.16.15 worker's comp and COBRA participants

Measurement Period Review

➤ Employer Example:

■ February 2016 through April 2016

- Identify FTE Positions

- Hours worked pre FTE Position

 - Week

 - Month

- One Day short of 13 full weeks

 - Hard to measure break in coverage and rehire calculation 13/26 week for ISD's

Measurement Period Tracking

Employee Name/Position	Jan	Feb	Mar	April	May	June	July	Average
FT	168	168	184	168	176	176	168	172.57
FT	168	168	184	168	176	176	168	172.57
FT	168	168	184	168	176	176	168	172.57
FT	168	168	184	168	176	176	168	172.57
FT	168	168	184	168	176	176	168	172.57
FT	168	168	184	168	176	176	168	172.57
FT	168	168	184	168	176	176	168	172.57
FT	168	168	184	168	176	176	168	172.57
FT	168	168	184	168	176	176	168	172.57
FT	168	168	184	168	176	176	168	172.57
FT	168	168	184	168	176	176	168	172.57
PT	0	0	108	124	124	129	95	116
FT	168	168	184	168	176	176	168	172.57
FT	168	168	184	168	176	176	168	172.57
FT	168	168	184	168	176	176	168	172.57
PT	106.5	118	110	113.5	73.5	0	0	104.3
PT	111	118	128	120	123	137	105	120.28
FT	168	168	184	168	176	128	0	165.33
FT	168	168	184	168	176	176	168	172.57
FT	168	168	184	168	176	176	168	172.57
FT	168	168	184	168	176	176	168	172.57
PT	76	97.5	78	52	81.5	10.5	0	56.5
PT	0	0	0	0	0	0	85.5	85.5
FT	168	168	184	168	176	176	168	172.57

Reporting Notification

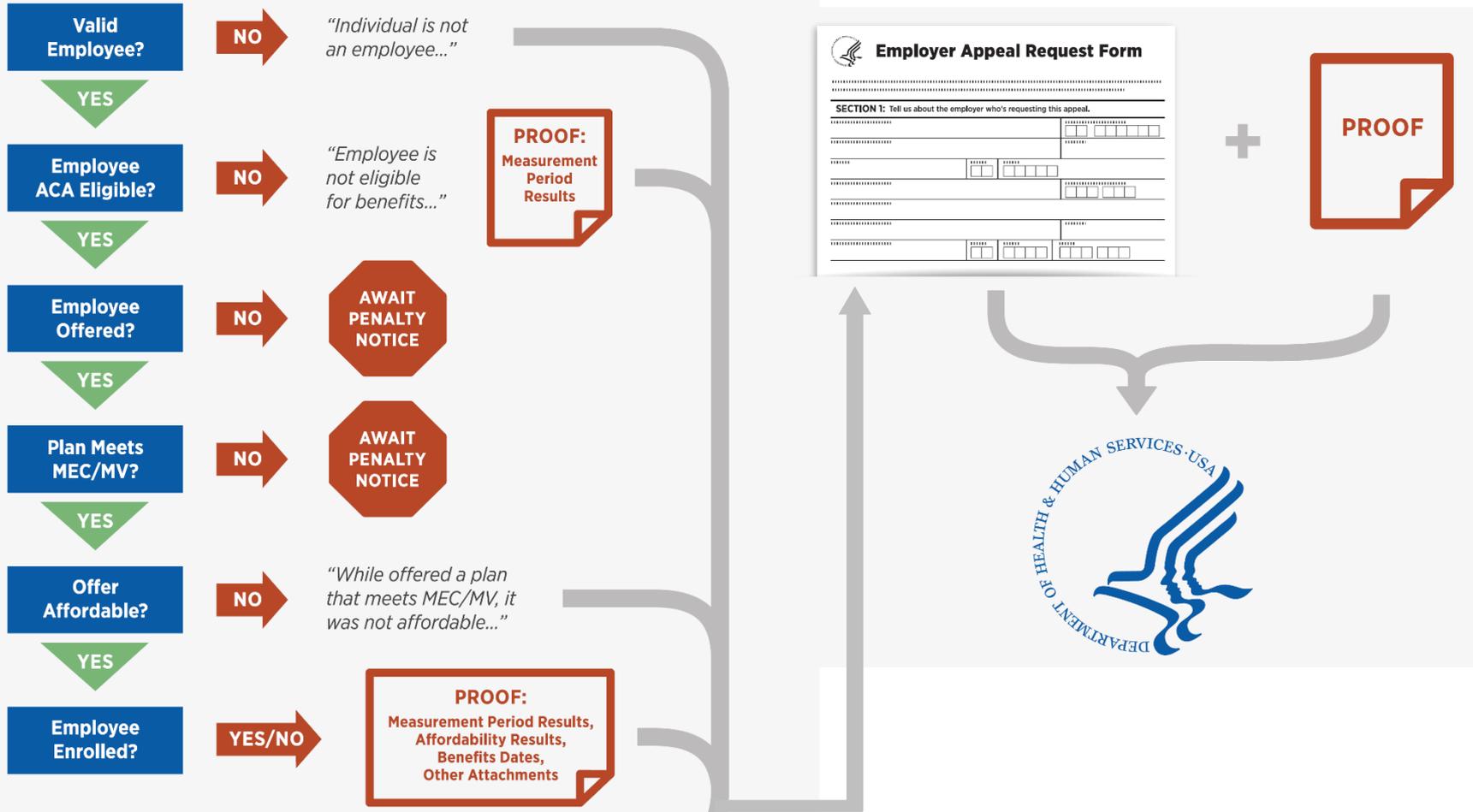
- What should the political subdivision do if they receive a notice from the Marketplace stating that an employee received a subsidy for individual health insurance?
 - Mailing of Reporting Notification Notices will begin in June of 2016.
 - The appeal form is a two-page document.
 - Marketplaces are required to send notices to employers regarding employees who purchase coverage through the Marketplace and qualify for a subsidy.
 - Purpose of Notice provision is to ensure that the preliminary subsidy determination by the marketplace is accurate.
 - The notice will be sent regardless of whether an employer is subject to the play or pay mandate and are not intended to be an official notification of excise taxes under Internal Revenue Code Section 4980H.
 - The notice the employer receives will identify the employee, indicate the employee has been determined eligible for a Marketplace subsidy and notify the employer that it may be liable for the excise tax assessed under Code Section 4980H, and if so, that the employer has a right to appeal the decision.
 - If an employer wants to appeal, they must respond in writing by mail or fax within 90 days from the date the notice was sent.
 - The two page document requires supporting evidence. This could include eligibility or enrollment information related to the employer's health plan. Might also include evidence that the plan is affordable and provides minimum value.
 - The Exchange will review and must make a decision and send a written notice of its decision on the appeal within 90 days after it receives the appeal.
 - The exchange will re-determine the employee's eligibility for a subsidy and the employee will have a right to appeal the exchange's decision.
 - ACA contains a whistleblower provision prohibiting employers from retaliating against an employee because the employee received a marketplace subsidy.
 - To avoid claims of retaliation, employers may wish to consider establishing a process for handling appeals so that the person handling the appeal has no disciplinary authority.

Reporting Notification

- ▶ What should the political subdivision do if they receive a notice from the Marketplace stating that an employee received a subsidy for individual health insurance?
 - Employers will be allowed 90 days from the date of the subsidy notice to request an appeal and submit relevant evidence to support the appeal.
 - The Marketplace will accept appeal requests by telephone, mail, via the internet, or in person (if possible) and will provide assistance if requested.
 - Employers should remember, that these notices are NOT an official notification of excise taxes under Internal Revenue Code Section 4980H.
 - This assessment likely would not be received until mid-2016 or later, and the employer could challenge the assessments at that time.
 - An employer choosing not to appeal a Marketplace notice may want to inform the employee it believes he or she should not be receiving a subsidy and should discuss the matter with the Marketplace representative to avoid a possible subsidy payback situation.

Exchange Subsidy Notice Chart

If your organization receives an exchange subsidy notice, this handy chart can help you determine how to respond, and what information you may need to provide.



**Thank You
for your Time and Attention!**

Questions and Answers Session

ALE Pay or Play Regulatory Reporting

August 4, 2016 | 2:00-3:00 PM

Champion the Integrity of the Healthcare Dollar by Optimized Efficient Performance Based Outcome | Dedicated to Service | Engage in the Process | Embrace in Proactive Opportunities for Improvement | Execute with Excellence

Political Subdivision Value Based Synergy Managing the Multi-Faceted Solutions to Healthcare Costs and Performance Based Outcome

24/7/365

ALE Action Steps

- Review aggregating census count rules and identify if or when your employer is ALE or Non-ALE qualified
 - **Step 1: Are you covered by the Affordable Care Act?**
 - “Applicable Large Employer” (ALE)
 - ≥ 100 full-time employees (2015)/ ≥ 50 full-time employees (2016)
 - Ensure payroll system is tracking hours and reporting unpaid hours (disability, sick, WC, vacation, jury duty, FMLA, etc.)
 - Payroll departments need to review reporting for hours worked, measurement period, high turnover positions, unpaid work hours, employees being paid outside of payroll, unpaid work hours, variable hourly employees, temporary staff, terms and rehires.
 - What is Measurement Period for FTE (*used primarily for new hires and status changes*)
 - Employers may measure full-time status using either a Look-Back or monthly measurement method.
 - Look-Back Period: 3, 6, 12 months
 - Stability Period: 6-12 months
 - Must be at least six (6) consecutive calendar months, but may not be shorter than the Measurement Period
 - Administrative Period
 - No more than ninety (90) days between the end of the Measurement Period and the start of the Stability Period
 - Waiting Period cannot be in excess of 90 days unless document 30-day orientation period
 - Define the classification of full-time, part-time, variable and seasonal jobs and identifying how employees are classified
 - Variable and seasonal jobs 6 consecutive month calculation

ALE Preparatory Steps

➤ Review aggregating census count rules and identify if or when your employer is ALE or Non-ALE qualified

▪ **Step 2: To whom do you have to Cover?**

• Who is Full-Time

The ALE regulation (26 C.F.R. § 54.4980H-2), uses the definition of “employee” in 26 C.F.R. § 54.4980H-1, that states that “The term employee means an individual who is an employee under the common-law standard. See § 31.3401(c)-1(b).” That latter-quoted section says as follows: (b) Generally the relationship of employer and employee exists when the person for whom services are performed has the right to control and direct the individual who performs the services, not only as to the result to be accomplished by the work but also as to the details and means by which that result is accomplished. That is, an employee is subject to the will and control of the employer not only as to what shall be done but how it shall be done. In this connection, it is not necessary that the employer actually direct or control the manner in which the services are performed; it is sufficient if he has the right to do so. The right to discharge is also an important factor indicating that the person possessing that right is an employer. Other factors characteristic of an employer, but not necessarily present in every case, are the furnishing of tools and the furnishing of a place to work to the individual who performs the services. In general, if an individual is subject to the control or direction of another merely as to the result to be accomplished by the work and not as to the means and methods for accomplishing the result, he is not an employee.

➤ Full-Time Equivalent

- 30 hours a week
- 120 hours a month for a 4 week month
- 150 hours a 5 week month
- 130 hours a month/1560 hours a year
- Assure coverage to all full-time equivalent employees and their biologic and/or adoptive children
- Sick, family leave, vacation hours, jury duty hours accumulate to the full time calculation

➤ Seasonal employee

- Hired for typically not more than 6 consecutive months each year;
- May be measured under look-back period up to 12 months from date of hire, no benefits need to be offered until end of measurement period if deemed to be a FTE employee.
- Employees rehired with less than a 13/26 week break in employment may apply "rule of parity" if rehired with a greater than 13/26 week break, will be treated as new hire.
- Employer may exclude seasonal employees if the only reason why employer employed more than 50 employees was due to seasonal employees who worked less than a 120 days
- Employees not paid on an hourly bases may be calculated on (1) counting actual hours of service; (2) using a days-worked equivalency, which credits the employee with 8 hours of service for each day or (3) using a weeks-worked equivalency of 40 hours of service per week.
- As under the proposed regulations, this includes any payment made or due for vacation, holiday, illness, incapacity, layoff, jury duty, FMLA, military duty or leave of absence.

➤ Interns, volunteers and/or grant compensated employees should be included in FTE assessment

FTE Information

- ▶ Review aggregating census count rules and identify if or when your employer is ALE or Non-ALE qualified
 - **Step 2: To whom do you have to Cover?**
 - Who is Full-Time
 - ▶ Contract Workers
 - Workers from a professional staffing agency will defer to state definition of employee for measurement requirement application.
 - ▶ Variable Hours
 - Employee hours that fluctuate week to week over and under 30 hrs/wk
 - Break in employment 13/26 weeks is considered new hire
 - Who are not considered FTE
 - ▶ Federal or state sponsored volunteers who do not receive compensation except for reimbursement of reasonable expenses and certain reasonable benefits and nominal fees
 - ▶ Hours worked for income that is taxed as income from sources outside the U.S.
 - ▶ Unpaid interns
 - ▶ Students in federal work-study programs
 - ▶ Typically independent contractors, sole proprietors, volunteers, and partners are not included in the Measurement Period

FTE Information

- ▶ Review aggregating census count rules and identify if or when your employer is ALE or Non-ALE qualified
 - **Step 2: To whom do you have to Cover?**
 - Who are not considered FTE
 - ▶ Volunteer Firefighters (at this time)
 - At this time the IRS has not initiated a formal rulemaking proceeding to determine whether volunteer firefighters (or any other volunteer) are to be considered employees for purposes for the Affordable Care Act.
 - Therefore, it would be premature to draw any conclusions on how the IRS could rule on this issue or to take action in support of any legislation without more clarification.
 - Contract workers from a professional staffing agency will defer to state definition and staffing agency agreement (who maintains will over employee—what shall be done and how it shall be done, who furnishes tools)
 - ▶ ***still in question 12.16.15 worker's comp and COBRA participants

ALE Preparatory Steps

➤ Step 3: What is minimum value coverage

- 60% Benefit Percentage
 - 2015: 60% Skinny networks and preventive plans
 - 2016: 60% Hospital and Physician mandate
- Not excess of **\$2,000 individual deductible and \$4,000*** family deductible
- 2015: 70% Full-time Accuracy with 80 Deductible
- 2016: 95% Full-time Accuracy with 30 Deductible

FTE/Benefit Book Information

- Benefit Plan Language should be updated to match the employer's ACA definition of the eligibility requirement. The "look back measurement method" basically allows employers to "look back" over a period of time (typically 12 months) to see if an employee has average 30 hours or more per week over that period.
- For any employee who has averaged at least 30 hours per week, the employer must continue to treat this employee as "full-time" for some look-forward period.
- For any employee who has averaged at least 30 hours per week, the employer must continue to treat this employee as "full-time" for some look-forward period (also typically 12 months, and referred to as the stability period") even though the employee's hours may dip below 30 hours per week for various periods of time in that period.
- Ensure the benefit plan document includes extension of coverage, if appropriate, through Continuation of Coverage (COBRA), FMLA and/or USERRA.

1094-C Field Information

1094-C Purpose of Form: Employers with $\geq 50 / > 100$ or more full-time employees (including full-time equivalent employees) in the previous year use Form 1094-C.

Part	Column	Lines	Codes	CY2016	CY2015
Part I: Applicable Large Employer Member (ALE Member)		Line 1		Enter employer's name	Enter employer's name
		Line 2		Enter the employer's EIN. An SSN may not be entered in lieu of an EIN. Enter the 9-digit EIN including the dash.	Enter the employer's EIN. An SSN may not be entered in lieu of an EIN. Enter the 9-digit EIN including the dash.
		Lines 3-6		Enter the employer's complete address (including room or suite no., if applicable). This address should match the employer's address used on the Form 1095-C.	Enter the employer's complete address (including room or suite no., if applicable). This address should match the employer's address used on the Form 1095-C.
		Lines 7 and 8		Enter the name and telephone number of the person to contact who is responsible for answering any questions. (If you are a DGE that is filing Form 1094-C, a valid EIN is required at the time the return is filed. If a valid EIN is not provided, the return will not be processed. If the DGE does not have an EIN when filing Form 1094-C it can get an EIN by applying online at IRS.gov or by facing or mailing a completed Form SS-4 Application for Employer Identification Number.	Enter the name and telephone number of the person to contact who is responsible for answering any questions. (If you are a DGE that is filing Form 1094-C, a valid EIN is required at the time the return is filed. If a valid EIN is not provided, the return will not be processed. If the DGE does not have an EIN when filing Form 1094-C it can get an EIN by applying online at IRS.gov or by facing or mailing a completed Form SS-4 Application for Employer Identification Number.

1094-C Field Information

1094-C Purpose of Form: Employers with $\geq 50/\geq 100$ or more full-time employees (including full-time equivalent employees) in the previous year use Form 1094-C.

Part	Column	Lines	Codes	CY2016	CY2015
Part I: Applicable Large Employer Member (ALE Member)		Lines 11-14		Enter the DGE's complete address (including room or suite no., if applicable).	Enter the DGE's complete address (including room or suite no., if applicable).
		Lines 15 and 16		Enter the name and telephone number of the person to contact who is responsible for answering any questions related to the Form 1094-C.	Enter the name and telephone number of the person to contact who is responsible for answering any questions related to the Form 1094-C.
		Line 17		This line is reserved for future use.	This line is reserved for future use.
		Line 18		Enter the total number of Forms 1095-C submitted with this Form 1094-C transmittal.	Enter the total number of Forms 1095-C submitted with this Form 1094-C transmittal.

1094-C Field Information

1094-C Purpose of Form: Employers with $\geq 50/\geq 100$ or more full-time employees (including full-time equivalent employees) in the previous year use Form 1094-C.

Part	Column	Lines	Codes	CY2016	CY2015
Part I: Applicable Large Employer Member (ALE Member)		Line 19		If this Form 1094-C transmittal is the Authoritative Transmittal that reports aggregate employer-level data for the employer, check the box on line 19 and complete Parts II, III, and IV, to the extent applicable. Otherwise, complete the signature portion of Form 1094-C and leave the remainder of the form (lines 20-22 of Part II, and all of Parts III and IV) blank.	If this Form 1094-C transmittal is the Authoritative Transmittal that reports aggregate employer-level data for the employer, check the box on line 19 and complete Parts II, III, and IV, to the extent applicable. Otherwise, complete the signature portion of Form 1094-C and leave the remainder of the form (lines 20-22 of Part II, and all of Parts III and IV) blank.
				There must be only one Authoritative Transmittal filed for each employer. If this is the only Form 1094-C being filed for employer, this Form 1094-C must report aggregate employer-level data for the employer and be identified on line 19 as the Authoritative Transmittal. If multiple Forms 1094-C are being filed for an employer so that Forms 1095-C for all full-time employees of the employer are not attached to a single Form 1094-C transmittal (because Forms 1095-C for some full-time employees of the employer are being transmitted separately), one of the Forms 1094-C must report aggregate employer-level data for the employer and be identified on line 19 as the Authoritative Transmittal.	There must be only one Authoritative Transmittal filed for each employer. If this is the only Form 1094-C being filed for employer, this Form 1094-C must report aggregate employer-level data for the employer and be identified on line 19 as the Authoritative Transmittal. If multiple Forms 1094-C are being filed for an employer so that Forms 1095-C for all full-time employees of the employer are not attached to a single Form 1094-C transmittal (because Forms 1095-C for some full-time employees of the employer are being transmitted separately), one of the Forms 1094-C must report aggregate employer-level data for the employer and be identified on line 19 as the Authoritative Transmittal.

1094-C Field Information

1094-C Purpose of Form: Employers with $\geq 50/\geq 100$ or more full-time employees (including full-time equivalent employees) in the previous year use Form 1094-C.

Part	Column	Lines	Codes	CY2016	CY2015
Part II: ALE Member Information		Line 20		Enter the total number of Forms 1095-C that will be filed by and/or on behalf of the employer. This includes all Forms 1095-C that are filed with this transmittal including those filed for any individuals who enrolled in the employer-sponsored self-insured plan, and for any Forms 1095-C filed with a separate transmittal filed by or on behalf of the employer.	Enter the total number of Forms 1095-C that will be filed by and/or on behalf of the employer. This includes all Forms 1095-C that are filed with this transmittal including those filed for any individuals who enrolled in the employer-sponsored self-insured plan, and for any Forms 1095-C filed with a separate transmittal filed by or on behalf of the employer.
		Line 21		If during any month of the calendar year the employer was a member of an Aggregated ALE Group, check "Yes". If you check "Yes," also complete the "Aggregated Group Indicator" in Part III, column (d), and then complete Part IV to list the other members of the Aggregated ALE Group. If, for all 12 months of the calendar year, the employer was not a member of an Aggregated ALE Group check "No," and do not complete Part III, column (d), or Part IV.	If during any month of the calendar year the employer was a member of an Aggregated ALE Group, check "Yes". If you check "Yes," also complete the "Aggregated Group Indicator" in Part III, column (d), and then complete Part IV to list the other members of the Aggregated ALE Group. If, for all 12 months of the calendar year, the employer was not a member of an Aggregated ALE Group check "No," and do not complete Part III, column (d), or Part IV.

1094-C Field Information

1094-C Purpose of Form: Employers with $\geq 50/\geq 100$ or more full-time employees (including full-time equivalent employees) in the previous year use Form 1094-C.

Part	Column	Lines	Codes	CY2016	CY2015
Part II: ALE Member Information		Line 22		If the employer meets the eligibility requirements and is using one of the Offer Methods and/or one of the forms of Transition Relief indicated, it must check each applicable box. See the description of the Offer Methods and Section 4980H Transition Relief. Box B Designated "Reserved" the Qualifying Offer method Transition Relief is not applicable for 2016.	If the employer meets the eligibility requirements and is using one of the Offer Methods and/or one of the forms of Transition Relief indicated, it must check each applicable box. See the description of the Offer Methods and Section 4980H Transition Relief.
				<u>Qualifying Offer Method:</u> Check this box if the employer is eligible to use and is using the Qualifying Offer Method to report the information on Form 1095-C for one or more full-time employees. To be eligible to use the Qualifying Offer Method for reporting, the employer must certify that it made a Qualifying Offer to one or more of its full-time employees for all months during the year in which the employee was full-time employee for whom an employer shared responsibility payment could apply. Additional requirements described below must be met to be eligible to use the alternative method for furnishing Form 1095-C to employees under the Qualifying Offer Method.	<u>Qualifying Offer Method:</u> Check this box if the employer is eligible to use and is using the Qualifying Offer Method to report the information on Form 1095-C for one or more full-time employees. To be eligible to use the Qualifying Offer Method for reporting, the employer must certify that it made a Qualifying Offer to one or more of its full-time employees for all months during the year in which the employee was full-time employee for whom an employer shared responsibility payment could apply. Additional requirements described below must be met to be eligible to use the alternative method for furnishing Form 1095-C to employees under the Qualifying Offer Method.

1094-C Field Information

1094-C Purpose of Form: Employers with $\geq 50/\geq 100$ or more full-time employees (including full-time equivalent employees) in the previous year use Form 1094-C.

Part	Column	Lines	Codes	CY2016	CY2015
Part II: ALE Member Information		Line 22		Alternative Method of Completing Form 1095-C under the Qualifying Offer Method: If the employer reports using this method, it must not complete Form 1095-C Part II, line 15 for any month for which a Qualifying Offer is made. Instead it must enter the Qualifying Offer code 1A on Form 1095-C, line 14 for any month for which the employee received a Qualifying Offer (or in the all 12 months box if the employee received a Qualifying Offer for all 12 months), and must leave line 15 blank for any month for which code 1A is entered on line 14.	Alternative Method of Completing Form 1095-C under the Qualifying Offer Method: If the employer reports using this method, it must not complete Form 1095-C Part II, line 15 for any month for which a Qualifying Offer is made. Instead it must enter the Qualifying Offer code 1A on Form 1095-C, line 14 for any month for which the employee received a Qualifying Offer (or in the all 12 months box if the employee received a Qualifying Offer for all 12 months), and must leave line 15 blank for any month for which code 1A is entered on line 14.
				An employer is not required to use the Qualifying Offer Method, even if it is eligible and instead may enter on line 14 the applicable offer code and then enter on line 15 the dollar amount required as an employee contribution for the lowest cost employee-only coverage providing minimum value for that month.	An employer is not required to use the Qualifying Offer Method, even if it is eligible and instead may enter on line 14 the applicable offer code and then enter on line 15 the dollar amount required as an employee contribution for the lowest cost employee-only coverage providing minimum value for that month.
				Section 4980H Transition Relief: Check this box if the employer is eligible for section 4980H Transition Relief under either: 1. 2015 Section 4980H Transition Relief for ALEs with Fewer than 100 full-time employees, including full-time equivalent employees (50-99) Transition Relief, or 2. 2015 Transition Relief for Calculation of Assessable Payment under Section 4980H(a) for ALEs with 100 or More Full-Time Employees, including full-time equivalent employees (100 or More Transition Relief).	Section 4980H Transition Relief: Check this box if the employer is eligible for section 4980H Transition Relief under either: 1. 2015 Section 4980H Transition Relief for ALEs with Fewer than 100 full-time employees, including full-time equivalent employees (50-99) Transition Relief, or 2. 2015 Transition Relief for Calculation of Assessable Payment under Section 4980H(a) for ALEs with 100 or More Full-Time Employees, including full-time equivalent employees (100 or More Transition Relief).

1094-C Field Information

1094-C Purpose of Form: Employers with $\geq 50/\geq 100$ or more full-time employees (including full-time equivalent employees) in the previous year use Form 1094-C.

Part	Column	Lines	Codes	CY2016	CY2015
Part II: ALE Member Information		Line 22		<p>98% Offer Method: Check this box if the employer is eligible for and is using the 98% Offer Method. To be eligible to use the 98% Offer Method, an employer must certify that taking into account all months during which the individuals were employees of the employer and were not in a Limited Non-Assessment Period, the employer offered, affordable health coverage providing minimum value to a least 98% of its employees for whom it is filing a Form 1095-C employee statement, and offered minimum essential coverage to those employees' dependents. The employer is not required to identify which of the employees for whom it is filing were full-time employees, but the employer is still required, under the general reporting rules, to file Forms 1095-C on behalf of all its full-time employees who were full-time employees for one or more months of the calendar year. To ensure compliance with the general reporting rules, an employer should confirm for any employee for whom it fails to file a Form 1095-C that the employee was not a full-time employee for any month of the calendar year. (For this purpose, the health coverage is affordable if the employer meets one of the section 4980H affordability safe harbors.)</p>	<p>98% Offer Method: Check this box if the employer is eligible for and is using the 98% Offer Method. To be eligible to use the 98% Offer Method, an employer must certify that taking into account all months during which the individuals were employees of the employer and were not in a Limited Non-Assessment Period, the employer offered, affordable health coverage providing minimum value to a least 98% of its employees for whom it is filing a Form 1095-C employee statement, and offered minimum essential coverage to those employees' dependents. The employer is not required to identify which of the employees for whom it is filing were full-time employees, but the employer is still required, under the general reporting rules, to file Forms 1095-C on behalf of all its full-time employees who were full-time employees for one or more months of the calendar year. To ensure compliance with the general reporting rules, an employer should confirm for any employee for whom it fails to file a Form 1095-C that the employee was not a full-time employee for any month of the calendar year. (For this purpose, the health coverage is affordable if the employer meets one of the section 4980H affordability safe harbors.)</p>

1094-C Field Information

1094-C Purpose of Form: Employers with $\geq 50/\geq 100$ or more full-time employees (including full-time equivalent employees) in the previous year use Form 1094-C.

Part	Column	Lines	Codes	CY2016	CY2015
Part III: ALE Member Information Monthly (Lines 23-35)	<u>Column (a) Minimum Essential Coverage Offer Indicator</u>			If the employer offered minimum essential coverage to at least 95% of its full-time employees and their dependents for the entire calendar year, enter" in the "Yes" checkbox on line 23 for "All 12 Months" or for each of the 12 calendar months.	If the employer offered minimum essential coverage to at least 95% of its full-time employees and their dependents for the entire calendar year, enter" in the "Yes" checkbox on line 23 for "All 12 Months" or for each of the 12 calendar months.
	Form 1094-C move Line 19 in Part I of the form and allow for an entry in the All 12 months field in Part III, line 23 column b Full Time Employee Count for ALE Member. Form 1095-C was revised to include a first month of the plan year indicator (plan start month) in Part II and a Part III Covered Individuals Continuation Sheet.			If the employer offered minimum essential coverage to at least 95% of its full-time employees and their dependents only for certain calendar months, enter" in the "Yes" checkbox for each applicable month.	If the employer offered minimum essential coverage to at least 95% of its full-time employees and their dependents only for certain calendar months, enter" in the "Yes" checkbox for each applicable month.

1094-C Field Information

1094-C Purpose of Form: Employers with $\geq 50/\geq 100$ or more full-time employees (including full-time equivalent employees) in the previous year use Form 1094-C.

Part	Column	Lines	Codes	CY2016	CY2015
Part III: ALE Member Information Monthly (Lines 23-35)	Column (a) Minimum Essential Coverage Offer Indicator			For the months, if any, for which the employer did not offer minimum essential coverage to at least 95% of its full-time employees and their dependents, enter "X" in the "No" checkbox for each applicable month.	For the months, if any, for which the employer did not offer minimum essential coverage to at least 95% of its full-time employees and their dependents, enter "X" in the "No" checkbox for each applicable month.
				If the employer did not offer minimum essential coverage to at least 95% of its full-time employees and their dependents for any of the 12 months, enter "X" in the "No" checkbox for "All 12 Months" for each of the 12 calendar months.	If the employer did not offer minimum essential coverage to at least 95% of its full-time employees and their dependents for any of the 12 months, enter "X" in the "No" checkbox for "All 12 Months" for each of the 12 calendar months.
				However, an employer that did not offer minimum essential coverage to at least 95% of its full-time employees and their dependents but is eligible for certain transition relief described in the instructions under Section 4980H Transition Relief for 2015 should enter an "X" in the "Yes" checkbox for Part III, line 23 column (a), as applicable.	However, an employer that did not offer minimum essential coverage to at least 95% of its full-time employees and their dependents but is eligible for certain transition relief described in the instructions under Section 4980H Transition Relief for 2015 should enter an "X" in the "Yes" checkbox for Part III, line 23 column (a), as applicable.
				Note: For purposes of column (a), an employee in a Limited Non-Assessment Period is not counted in determining whether minimum essential coverage was offered to at least 95% of an employer's full-time employees and their dependents.	Note: For purposes of column (a), an employee in a Limited Non-Assessment Period is not counted in determining whether minimum essential coverage was offered to at least 95% of an employer's full-time employees and their dependents.

1094-C Field Information

1094-C Purpose of Form: Employers with $\geq 50/\geq 100$ or more full-time employees (including full-time equivalent employees) in the previous year use Form 1094-C.

Part	Column	Lines	Codes	CY2016	CY2015
Part III: ALE Member Information Monthly (Lines 23-35)	<u>Column (b) Full-Time Employee Count for ALE Member</u>			<p>Enter the number of full-time employees for each month, but do not count any employee in a Limited Non-Assessment Period. (If the number of full-time employees (excluding employees in a Limited Non-Assessment Period) for a month is zero, enter "0".)</p> <p>New column inserted before Full-Time Employee Count for ALE Member (to remind filers that the section 4980H definition of "full-time employee" applies for purposes of this column, not any other definition that an ALE Members may use for other purposes.</p> <p>Note: If the employer certified that it was eligible for the 98% Offer Method by selecting Box D, on line 22, it is not required to complete column (b).</p>	<p>Enter the number of full-time employees for each month, but do not count any employee in a Limited Non-Assessment Period. (If the number of full-time employees (excluding employees in a Limited Non-Assessment Period) for a month is zero, enter "0".)</p> <p>Note: If the employer certified that it was eligible for the 98% Offer Method by selecting Box D, on line 22, it is not required to complete column (b).</p>

1094-C Field Information

1094-C Purpose of Form: Employers with ≥ 50 / ≥ 100 or more full-time employees (including full-time equivalent employees) in the previous year use Form 1094-C.

Part	Column	Lines	Codes	CY2016	CY2015
Part III: ALE Member Information Monthly (Lines 23-35)	Column (c) Total Employee Count for ALE Member			Enter the total number of all of your employees, including full-time employees and non full-time employees and employees in a Limited Non-Assessment Period, for each calendar month. An employer must choose to use one of the following days of the month to determine the number of employees per month and must use that day for all months of the year: (1) the first day of each month; (2) the last day of each month; (3) the 12th day of each month; (4) the first day of the first payroll period that starts during each month; or (5) the last day of the first payroll period that starts during each month (provided that for each month that last day falls within the calendar month in which the payroll period starts). If the total number of employees was the same for every month of the entire calendar year, enter that number in line 23, column (c) "All 12 Months" or in the boxes for each month of the calendar year. If the number of employees for any month is zero, enter "0".	Enter the total number of all of your employees, including full-time employees and non full-time employees and employees in a Limited Non-Assessment Period, for each calendar month. An employer must choose to use one of the following days of the month to determine the number of employees per month and must use that day for all months of the year: (1) the first day of each month; (2) the last day of each month; (3) the 12th day of each month; (4) the first day of the first payroll period that starts during each month; or (5) the last day of the first payroll period that starts during each month (provided that for each month that last day falls within the calendar month in which the payroll period starts). If the total number of employees was the same for every month of the entire calendar year, enter that number in line 23, column (c) "All 12 Months" or in the boxes for each month of the calendar year. If the number of employees for any month is zero, enter "0".

1094-C Field Information

1094-C Purpose of Form: Employers with $\geq 50/\geq 100$ or more full-time employees (including full-time equivalent employees) in the previous year use Form 1094-C.

Part	Column	Lines	Codes	CY2016	CY2015
Part III: ALE Member Information Monthly (Lines 23-35)	Column (d) Aggregated Group Indicator			An employer must complete this column if it checked "Yes" on line 21, indicating that, during any month of the calendar year, it was a member of an Aggregated ALE Group. If the employer was a member of an Aggregated ALE Group during each month of the calendar year, enter "X" in the "All 12 Months" box or in the boxes for each of the 12 calendar months. If the employer was not a member of an Aggregated ALE Group for all 12 months but was a member of an Aggregated ALE Group for one or more month(s), enter "X" in each month for which it was a member of an Aggregated ALE Group. If an employer enters "X" in one or more months in this column, it must also complete Part IV.	An employer must complete this column if it checked "Yes" on line 21, indicating that, during any month of the calendar year, it was a member of an Aggregated ALE Group. If the employer was a member of an Aggregated ALE Group during each month of the calendar year, enter "X" in the "All 12 Months" box or in the boxes for each of the 12 calendar months. If the employer was not a member of an Aggregated ALE Group for all 12 months but was a member of an Aggregated ALE Group for one or more month(s), enter "X" in each month for which it was a member of an Aggregated ALE Group. If an employer enters "X" in one or more months in this column, it must also complete Part IV.
	Column (e) Section 4980H Transition Relief Indicator			If the employer certifies by selecting Box C on line 22 that it is eligible for Section 4980H Transition Relief and is eligible for the 50 to 99 Relief, enter code A. If the employer certifies by selecting box C on line 22, that it is eligible for Section 4980H Transition Relief and is eligible for the 100 or More Relief, enter code B. An employer will not be eligible for both types of relief.	If the employer certifies by selecting Box C on line 22 that it is eligible for Section 4980H Transition Relief and is eligible for the 50 to 99 Relief, enter code A. If the employer certifies by selecting box C on line 22, that it is eligible for Section 4980H Transition Relief and is eligible for the 100 or More Relief, enter code B. An employer will not be eligible for both types of relief.

1095-C Field Information

1095-C Purpose of Form: 1095-C form to report the information required under section 6055 and 6056 about offers of health coverage an enrollment in **health coverage for employees.**

Health Coverage Offered by your Employer: Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Part	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
Part I: Employee			Lines 1-6		Reports information about the employee.	Reports information about the employee.
			Line 2		This is employee social security number (SSN). For your protection, this form may show only the last four digits of your SSN. However, the employer is required to report your complete SSN to the IRS.	This is employee social security number (SSN). For your protection, this form may show only the last four digits of your SSN. However, the employer is required to report your complete SSN to the IRS.
			Lines 3-6		Enter the employee's complete address (including apartment no., if applicable. A country code is not required for US addresses.	Enter the employee's complete address (including apartment no., if applicable. A country code is not required for US addresses.
			Lines 7-13		Reports information about the employer	Reports information about the employer
			Line 7		Enter the name of the employer.	Enter the name of the employer.
			Line 8		Enter the employer's EIN. Do not enter a SSN in lieu of an EIN. Enter the 9-digit EIN including the dash. The employer's name and EIN should match the name and EIN of the employer reported on lines 1 and 2 of Form 1094-C.	Enter the employer's EIN. Do not enter a SSN in lieu of an EIN. Enter the 9-digit EIN including the dash. The employer's name and EIN should match the name and EIN of the employer reported on lines 1 and 2 of Form 1094-C.
			Line 9 and Lines 11-13		Enter the employer's complete address (including room or suite no., if applicable). This address should match the address reported on lines 3-6 of the Form 1094-C.	Enter the employer's complete address (including room or suite no., if applicable). This address should match the address reported on lines 3-6 of the Form 1094-C.
			Line 10		This line includes a telephone number for the person whom you may call if you have questions about the information reported on the form or to report errors in the information on the form and ask that they be corrected.	This line includes a telephone number for the person whom you may call if you have questions about the information reported on the form or to report errors in the information on the form and ask that they be corrected.

1095-C Field Information

1095-C Purpose of Form: 1095-C form to report the information required under section 6055 and 6056 about offers of health coverage and enrollment in health coverage for employees.

Health Coverage Offered by your Employer: Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Part	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
<p>Information about the Coverage</p> <p>Part II: Employer Offer of Coverage</p>			Lines 14-16		<p><u>Plan Start Month.</u> This box is optional for the 2016 Form. 1095-C and the employer may leave it blank; it is anticipated that this box will be mandatory for the 2017 Form 1095-C. To complete the box, enter the two-digit number (01 through 12) indicating the calendar month during which the plan year begins of the health plan in which the employee is offered coverage (or would be offered coverage if the employee were eligible to participate in the plan). If more than one plan year could apply (for instance, if the employer changes the plan year during the year), enter the earliest applicable month. If there is no health plan under which coverage is offered to the employee, enter "0.0".</p>	<p><u>Plan Start Month.</u> This box is optional for the 2015 Form. 1095-C and the employer may leave it blank; it is anticipated that this box will be mandatory for the 2016 Form 1095-C. To complete the box, enter the two-digit number (01 through 12) indicating the calendar month during which the plan year begins of the health plan in which the employee is offered coverage (or would be offered coverage if the employee were eligible to participate in the plan). If more than one plan year could apply (for instance, if the employer changes the plan year during the year), enter the earliest applicable month if there is no health plan under which coverage is offered to the employee, enter "0.0".</p>

1095-C Field Information

1095-C Purpose of Form: 1095-C form to report the information required under section 6055 and 6056 about offers of health coverage an enrollment in health coverage for employees.

Health Coverage Offered by your Employer: Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Part	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
Information about the Coverage Part II: Employer Offer of Coverage			Line 14		The codes listed below for line 14 describe the coverage that your employer offered to you and your spouse and dependent(s), if any, (if you received an offer of coverage through a multiemployer plan due to your membership in a union, that offer may not be shown on line 14.) The information on line 14 relates to eligibility for coverage subsidized by the premium tax credit for you, your spouse, and dependent(s).	For reporting offers of coverage for 2015, an employer relying on the multiemployer arrangement interim guidance should enter code 1H on line 14 or any month for which the employer enters code 2E on line 16 (indicating that the employer was required to contribute to a multiemployer plan on behalf of the employee for that month and therefore is eligible for multiemployer interim rule relief).
					For each calendar month, enter the applicable code from Code Series 1. If the same code applies for all 12 calendar months, enter the applicable code in the "All 12 Months" box and do not complete the individual calendar month boxes.	For reporting for 2015, Code 1H may be entered without regard to whether the employee was eligible to enroll or enrolled in coverage under the multiemployer plan.
					An employer offers health coverage for a month only if it offers health coverage that would provide coverage for every day of that calendar month. Thus, if an employee terminates coverage before the last day of the month, the employee does not actually have an offer of coverage for that month. See line 16, code 2B later for how the employer may complete line 16 in the event an employee terminates coverage before the last day of the month.	
					A code must be entered for each calendar month January through December, even if the employee was not a full-time employee for one or more of the calendar months. Enter the code identifying the type of health coverage actually offered by the employer (or on behalf of the employer) to the employee, if any. Do not enter a code for any other type of health coverage the employer is treated as having offered (but the employee was not actually offered coverage).	

1095-C Field Information

1095-C Purpose of Form: 1095-C form to report the information required under section 6055 and 6056 about offers of health coverage an enrollment in health coverage for employees.

Health Coverage Offered by your Employer: Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Part Information about the Coverage	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
Part II: Employer Offer of Coverage				Code Series 1	The Code Series 1 indicator codes specify the type of coverage. If any, offered to an employee, the employee's spouse, and the employee's dependents.	The Code Series 1 indicator codes specify the type of coverage. If any, offered to an employee, the employee's spouse, and the employee's dependents.
					An offer of COBRA continuation coverage that is made to a former employee upon termination of employment should not be reported as an offer of coverage on line 14. For a terminated employee, code 1H (No offer of coverage) should be entered for any month for which the offer of COBRA continuation coverage applies.	An offer of COBRA continuation coverage that is made to a former employee upon termination of employment should not be reported as an offer of coverage on line 14. For a terminated employee, code 1H (No offer of coverage) should be entered for any month for which the offer of COBRA continuation coverage applies.
					An offer of COBRA continuation coverage that is made to an active employee (for instance, an offer of COBRA continuation coverage that is made due to a reduction in the employee's hours that resulted in the employee no longer being eligible for coverage under a plan) is reported in the same manner and using the same code as an offer of that type of coverage to any other active employee.	An offer of COBRA continuation coverage that is made to an active employee (for instance, an offer of COBRA continuation coverage that is made due to a reduction in the employee's hours that resulted in the employee no longer being eligible for coverage under a plan) is reported in the same manner and using the same code as an offer of that type of coverage to any other active employee.
					If the type of coverage, if any, offered to an employee was the same for all 12 months in the calendar year, enter the Code Series 1 indicator code corresponding to the type of coverage offered in the "All 12 Months" box or in each of the 12 boxes for the calendar months.	If the type of coverage, if any, offered to an employee was the same for all 12 months in the calendar year, enter the Code Series 1 indicator code corresponding to the type of coverage offered in the "All 12 Months" box or in each of the 12 boxes for the calendar months.

1095-C Field Information

1095-C Purpose of Form: 1095-C form to report the information required under section 6055 and 6056 about offers of health coverage an enrollment in health coverage for employees.

Health Coverage Offered by your Employer: Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Part Information about the Coverage	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
Part II: Employer Offer of Coverage				1A	Minimum essential coverage providing value offered to you with an employee required contribution for self-only coverage does not exceed 9.66% of employees household income for the year, up from 9.5%. This code may be used to report for specific months for which a Qualifying Offer was made, even if you did not receive a Qualifying Offer for all 12 months of the calendar year. For information on the adjustment of the 9.66% see IRS.gov.	Minimum essential coverage providing minimum value offered to full-time employee with employee contribution for self-only coverage equal to or less than \$1,108.69 (9.5% of Box 1 on W-2 Form of the 48 contiguous states single federal poverty line) and minimum essential coverage offered to your spouse and dependent(s) referred to here as a Qualifying Other). This code may be used to report for specific months for which a Qualifying Offer was made, even if you did not receive a Qualifying Offer for all 12 months of the calendar year.
				1B	Minimum essential coverage providing minimum value offered to you and minimum essential coverage NOT offered to your spouse or dependent(s).	Minimum essential coverage providing minimum value offered to you and minimum essential coverage NOT offered to your spouse or dependent(s).
				1C	Minimum essential coverage providing minimum value offered to you and minimum essential coverage offered to your dependent(s) but NOT your spouse.	Minimum essential coverage providing minimum value offered to you and minimum essential coverage offered to your dependent(s) but NOT your spouse.
				1D	Minimum essential coverage providing minimum value offered to you and minimum essential coverage offered to your spouse but NOT your dependent(s).	Minimum essential coverage providing minimum value offered to you and minimum essential coverage offered to your spouse but NOT your dependent(s).

1095-C Field Information

1095-C Purpose of Form: 1095-C form to report the information required under section 6055 and 6056 about offers of health coverage an enrollment in health coverage for employees.

Health Coverage Offered by your Employer: Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Part Information about the Coverage	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
Part II: Employer Offer of Coverage				1E	Minimum essential coverage providing minimum value offered to you and minimum essential coverage offered to your dependent(s) and spouse.	Minimum essential coverage providing minimum value offered to you and minimum essential coverage offered to your dependent(s) and spouse.
				1F	Minimum essential coverage NOT providing minimum value offered to you, or you and your spouse or dependent(s), or your, your spouse and dependent(s).	Minimum essential coverage NOT providing minimum value offered to employee, or employee and spouse or dependent(s). or employee, spouse and dependents. ("skinny MEC") Note: Coverage does not cover at least 60% of the cost of health services.
				1G	You were NOT a full-time employee for any month of the calendar year but were enrolled in self-insured employer sponsored coverage for one or more months of the calendar year. This code will be entered in the All 12 Months box on line 14.	Offer of coverage to employee who was Not a full-time employee for any month of the calendar year and who enrolled in self-insured coverage for one or more months of the calendar year Note: Offers coverage to non Full Time employees
				1H	No offer of coverage (you were NOT offered any health coverage or you were offered coverage that is NOT minimum essential coverage).	No offer of coverage (employee not offered any health coverage or employee offered coverage that is not minimum essential coverage, which may include one or more months in which the individual was not an employee.

1095-C Field Information

1095-C Purpose of Form: 1095-C form to report the information required under section 6055 and 6056 about offers of health coverage an enrollment in health coverage for employees.

Health Coverage Offered by your Employer: Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Part Information about the Coverage	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
Part II: Employer Offer of Coverage				1I	Reserved.	Employer claimed "Qualifying Offer Transition Relief" for 2015 and for at least one month of the year you (and your spouse or dependents) did not receive a Qualifying Offer. Note your employer has provided a contact number at which you may request further information about the health coverage. Transition Relief 2015: Employee (and spouse or dependents) received no offer of coverage, received an offer that is not a qualifying offer, or received a qualifying offer for less than 12 months. Note: Fails affordability, or minimum essential coverage requirements but employer qualifies for 2015 transitional relief (between 50 and 100 FT employees)
				1J	Minimum essential coverage providing minimum value offered to you; minimum essential coverage conditionally offered to your spouse; and minimum essential coverage NOT offered to your dependent(s).	N/A
				1K	Minimum essential coverage providing minimum value offered to you; minimum essential coverage conditionally offered to your spouse; and minimum essential coverage offered to your dependent(s).	N/A

1095-C Field Information

1095-C Purpose of Form: 1095-C form to report the information required under section 6055 and 6056 about offers of health coverage an enrollment in health coverage for employees.

Health Coverage Offered by your Employer: Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Part Information about the Coverage	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
Part II: Employer Offer of Coverage			Line 15		<p>This line reports the employee required contribution, which is the monthly cost to you for the lowest-cost self-only minimum essential coverage providing minimum value that your employer offered you. The amount reported on line 15 may not be the amount you paid for coverage if, for example, you chose to enroll in more expensive coverage such as family coverage. Line 15 will show an amount only if code 1B, 1C, 1D, 1E 1J or 1K is entered on line 14. If you were offered coverage but there is no cost to you for the coverage, this line will report a "0.00" for the amount.</p>	<p>Complete line 15 only if code 1B, 1C, 1D or 1E is entered on line 14 either in the "All 12 Months" box or in any of the monthly boxes. This line reports the employee share of the lowest-cost monthly premium for self-only minimum essential coverage providing minimum value that your employer offered you. The amount reported on line 15 may not be the amount you paid for coverage, if for example, you chose to enroll in more expensive coverage such as family coverage. Line 15 will show an amount only if code 1B, 1C, 1D or 1E is entered on line 14. If your were offered coverage but not required to contribute any amount towards the premium, this line will report a "0.00" for the amount.</p> <ul style="list-style-type: none"> • Enter the amount of the employee share of the lowest-cost monthly premium/contribution for self-only minimum essential coverage providing minimum value that is offered to the employee. • Enter the amount including any cents. • If the employee is offered coverage, but is not required to contribute any amount towards the premium, enter "0.00" (do not leave blank). • If the employee share of the lowest-cost monthly premium amount was the same amount for all 12 calendar months, enter that monthly amount in each monthly box or enter that monthly amount in the "All 12 Months" box and do not complete the monthly boxes. • If the employee share of the lowest-cost monthly amount was not the same for all 12 months enter the amount in each calendar month for which the employee was offered minimum value coverage. <p>{Report monthly self-only contribution for lowest cost plan that provides minimum value for which employee is eligible (even if employee selects another plan or different tier of coverage) Must complete only if Line 14 code is 1B, 1C, 1D or 1E (various codes where MEC providing minimum value is offered) Include dollars and cents amounts}</p>

1095-C Field Information

1095-C Purpose of Form: 1095-C form to report the information required under section 6055 and 6056 about offers of health coverage an enrollment in health coverage for employees.

Health Coverage Offered by your Employer: Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Part Information about the Coverage	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
Part II: Employer Offer of Coverage			Line 16		This code provides the IRS information to administer the employer shared responsibility provisions. Other than a code 2C which reflects your enrollment in your employer's coverage, none of this information affects your eligibility for the premium tax credit. For more information about the employer shared responsibility provisions, see IRS.gov.	Line 16 - This code provides the IRS information to administer the employer shared responsibility provisions. None of this information affects your eligibility for the premium tax credit. For more information about the employer shared responsibility provisions, see IRS.gov.
				Code Series 2 Section 4980H Safe Harbor Codes and Other Relief for Employers	An employer enters the applicable Code Series 2 indicator code, if any, on line 16 to report for one or more months of the calendar year that one of the following situations applied to the employee: the employee was not employed or was not a full-time employee; the employee enrolled in the minimum essential coverage offered; the employee was in a Limited Non-Assessment Period with respect to section 4980H(b); non-calendar year transition relief applied to the employee, the employer met one of the section 4980H affordability safe harbors with respect to this employee; or the employer was eligible for multiemployer interim rule relief for this employee. In some circumstances more than one situation could apply to the same employee in the same month.	Code Series 2 Section 4980H Safe Harbor Codes and Other Relief for Employers. An employer enters the applicable Code Series 2 indicator code, if any, on Line 16 to report for one or more months of the calendar year that one of the following situations applied to the employee: the employee was not employed or was not a full-time employee; the employee enrolled in the minimum essential coverage offered: the employee was in a Limited Non-Assessment Period with respect to Section 4980H(b); non-calendar year transition relief.

1095-C Field Information

1095-C Purpose of Form: 1095-C form to report the information required under section 6055 and 6056 about offers of health coverage an enrollment in health coverage for employees.

Health Coverage Offered by your Employer: Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Part Information about the Coverage	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
Part II: Employer Offer of Coverage				2A	Employee not employed during the month. Enter code 2A if the employee was not employed on any day of the calendar month. Do not use code 2A for a month if the individual was an employee of the employee on any day of the calendar month. Do not use code 2A for the month during which an employee terminated employment with the employer.	2A Employee not employee during the month
				2B	Employee not a full-time employee. Enter code 2B if the employee is not a full-time employee for the month and did not enroll in minimum essential coverage, if offered for the month. Enter code 2B also if the employee is a full-time employee for the month and whose offer of coverage (or coverage if the employee was enrolled) ended before the last day of the month solely because the employee terminated employment during the month (so that the offer of coverage or coverage would have continued if the employee had not terminated employment during the month). Also use this code for January 2015 if the employee was offered health coverage no later than the first day of the first payroll period that begins in January 2015 and the coverage offered was affordable for purposes of the employer shared responsibility provisions under section 4980H and provided minimum value.	2B Employee not a full-time employee (or a FT employee who is not offered or enrolled in coverage for the entire month)
				2C	Employee enrolled in coverage offered. Enter code 2C for any month in which the employee enrolled in health coverage offered by the employer for each day of the month, regardless of whether any other code in Code Series 2 (other than code 2E) might also apply (for example, the code for a section 4980H affordability safe harbor). Do not enter 2C in line 16 if code 1G is entered in the All 12 Months box in line 14 because the employee was not a full-time employee for any months of the calendar year. Do not enter code 2C in line 16 for any month in which a terminated employee is enrolled in COBRA continuation coverage (enter code 2A)	2C Employee enrolled in coverage offered

1095-C Field Information

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Part Information about the Coverage	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
Part II: Employer Offer of Coverage				2D	Employee in a section 4980H(b) Limited Non-Assessment Period. Enter code 2D for any month during which an employee is in a Limited Non-Assessment Period for section 4980H(b). If an employee is in an initial measurement period, enter code 2D (employee in section 4980H(b) Limited Non-Assessment Period) for the month, and not code 2B (employee not a full-time employee). For an employee in a section 4980H(b) Limited Non-Assessment Period for whom the employer is also eligible for the multiemployer interim rule relief for the month, enter code 2E (multiemployer interim rule relief) and not code 2D (employee in a Limited Non-Assessment Period).	2D Employee in a section 4980H(b) Limited Non-Assessment Period: Initial Measurement Period, Waiting Period
				2E	Multiemployer interim rule relief. Enter code 2E for any month for which the multiemployer arrangement interim guidance applies for that employee, regardless of whether any other code in Code Series 2 (including code 2C) might also apply.	2E Multi-Employer interim rule relief
				2F	Section 4980H affordability Form W-2 safe harbor. Enter code 2F if the employer used the section 4980H Form W-2 safe harbor to determine affordability for purposes of section 4980H(b) for this employee for the year. If an employer uses this safe harbor for an employee, it must be used for all months of the calendar year for which the employee is offered health coverage.	2F Section 4980H affordability

1095-C Field Information

1095-C Purpose of Form: 1095-C form to report the information required under section 6055 and 6056 about offers of health coverage an enrollment in health coverage for employees.

Health Coverage Offered by your Employer: Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Part Information about the Coverage	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
Part II: Employer Offer of Coverage				2G	Section 4980H affordability federal poverty line safe harbor. Enter code 2G if the employer used the section 4980H federal poverty line safe harbor to determine affordability for purposes of section 4980H(b) for this employee for any months.	2G Section 4980H affordability federal poverty line safe harbor
				2H	Section 4980H affordability rate of pay safe harbor. Enter code 2H if the employer used the section 4980H rate of pay safe harbor to determine affordability for purposes of section 4980H(b) for this employee for any month(s).	2H Section 4980H affordability rate of pay safe harbor
				Note:	Codes 2F through 2H: Although employers may use the section 4980H affordability safe harbors to determine affordability for purposes of the multiemployer arrangement interim guidance, an employer eligible for the relief provided in the multiemployer arrangement interim guidance for a month for an employee should enter code 2E (multiemployer interim rule relief), and not a code for the section 4980H affordability safe harbors (codes 2F, 2G, or 2H)	
				2I	Non-calendar year transition relief applies to this employee. Enter code 2I if non-calendar year transition relief for section 4980H(b) applies to this employee for the month.	2I Non-calendar year transition relief applies to this employee
				Note:	Affordability 9.56% has been updated to 9.66%	

1095-C Field Information

1095-C Purpose of Form: 1095-C form to report the information required under section 6055 and 6056 about offers of health coverage an enrollment in health coverage for employees.

Health Coverage Offered by your Employer: Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Part	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
Part III: Complete ONLY if the employer offers employer-sponsored self-insured health coverage in which the employee or other individual enrolled. For this purpose, employer-sponsored self-insured health coverage does not include coverage under a multiemployer plan.	-	Form 1094-C Move Line 19 in Part I of the form and allow for an entry in the All 12 months field in Part III, line 23 column b Full Time Employee Count for ALE Member. Form 1095-C was revised to include a first month of the plan year indicator (plan start month) in Part II and a Part III Covered Individuals Continuation Sheet.	Lines 17-22		Reports the name, SSN (or TIN for covered individuals other than the employee listed in Part I), and coverage information about each individual (including any full-time employee and on-full-time employee, and any employee's family members) covered under the employer's health plan, if the plan is "self-insured." A date of birth will be entered in column (c) only if an SSN (or TIN for covered individuals other than the employee listed in Part I) is not entered in column (b). Column (d) will be who were covered for some but not all months, information will be entered in column (e) indicating the months for which these individuals were covered.	Part III reports the name, SSN (or TIN for covered individuals other than the employee listed in Part I), and coverage information about each individual (including any full-time employee and non-full-time employee, and any employee's family members) covered under the employer's health plan, if the plan is "self-insured." A date of birth will be entered in column (c) only if an SSN (or TIN for covered individuals other than the employee listed in Part I) is not entered in column (b). Column (d) will be checked if the individual was covered for at least one day in every month of the year. For individuals who were covered for some but not all months, information will be entered in column (e) indicating the months for which these individuals were covered. If there are more than 6 covered individuals, you will receive one or more additional Forms 1095-C that continue Part III, Continuation Sheet(s)

1095-C Field Information

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Health Coverage Offered by your Employer: Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Part	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
Part III: Complete ONLY if the employer offers employer-sponsored self-insured health coverage in which the employee or other individual enrolled. For this purpose, employer-sponsored self-insured health coverage does not include coverage under a multiemployer plan.		All employee family members that are covered individuals through the employee's enrollment (for example, because the employee elected family coverage) must be included on the same form as the employee (or individual to whom the offer was made). For example, if the employee is offered family coverage by his or her employer under a self-insured health plan and enrolls in the family coverage, the employee and employee's family members that are covered under the plan must all be reported on Form 1095-C.			An ALE Member with a self-insured major medical plan and a health reimbursement arrangement (HRA) is required to report the coverage of an individual enrolled in both types of minimum essential coverage in Part III under only one of the arrangements. An ALE Member with an insured major medical plan and an HRA is not required to report in Part III HRA coverage of an individual if the individual is eligible for the HRA because the individual enrolled in the insured major medical plan. An ALE Member with an HRA must report coverage under the HRA in Part III for any individual who is not enrolled in a major medical plan of the ALE Member.	
		If two or more employees employed by the same employer are spouses or employee and dependent, and one employee enrolled in a coverage option under the plan that also covered the other employee(s) (for example, one employee spouse enrolled in family coverage that provided coverage to the other employee spouse and their employee dependent child). the enrollment information should be reflected only on the Form 1095-C for the employee who enrolled in the coverage (but would report the other employee family members as covered individuals).			If the employer is completing Part III, enter "x" in the check box in Part III. If the employer is not completing Part III, do not enter "x" in the check box in Part III.	
					This part must be completed by an employer offering self-insured health coverage for any individual who was an employee for one or more calendar months of the year, whether full-time or non-full-time, and who enrolled in the coverage.	

1095-C Field Information

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Part	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
Coverage of Non-Employee:					This part may be completed by an employer offering self-insured health coverage for any other individual who enrolled in the coverage under the plan for one or more calendar months of the year but was not an employee for any calendar month of the year, such as a non-employee director, a retired employee who retired in a previous year, a terminated employee receiving COBRA continuation coverage who terminated employment during a previous year, and a non-employee COBRA beneficiary (but not including an individual who obtained coverage through the employee's enrollment, such as a spouse or dependent obtaining coverage when an employee elects COBRA continuation coverage that is family coverage). If the Form 1095-C is used with respect to an individual who was not an employee for any month of the calendar year, Part II must be completed by using code 1G in the "All 12 Months" box or the box for each month of the calendar year.	
		In the case of a non-employee individual who enrolls in the coverage under a self-insured health plan, all family members that are covered individuals due to the individual's enrollment must be included on the same Form 1095-B or Form 1095-C as the individual who is offered, and enrolls in the coverage.				

1095-C Field Information

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Health Coverage Offered by your Employer: Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Part	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
Coverage of Non-Employee:	Columns (a) through (d), as applicable, must be completed for each individual enrolled in the coverage, including the employee reported on line 1. Enter the nine-digit SSN or other TIN for each covered individual in column(b). Enter a date of birth in column (c) only if an SSN or other TIN is not entered in column (b). Column (d) will be checked if the individual was covered for at least one day in every month of the year. For individuals who were covered for some but not all months, information will be entered in column (e) indicating the months for which these individuals were covered. If there are more than 6 covered individual completed this information on additional Forms 1095-C in the count of forms submitted with the accompanying Form 1094-C.					
	Column (a)				Enter the name of each covered individual.	Enter the name of each covered individual.
	Column (b)				Enter the 9-digit SSN for each covered individual including the dashes. For covered individuals who are not the employee listed in Part I, a taxpayer identification number (TIN), rather than a SSN, may be entered if the covered individual does not have an SSN, or the field may be left blank if the covered individual does not have a TIN.	Enter the 9-digit SSN for each covered individual including the dashes. For covered individuals who are not the employee listed in Part I, a taxpayer identification number (TIN), rather than a SSN, may be entered if the covered individual does not have an SSN, or the field may be left blank if the covered individual does not have a TIN.

1095-C Field Information

1095-C Purpose of Form: 1095-C form to report the information required under section 6055 and 6056 about offers of health coverage an enrollment in health coverage for employees.

Health Coverage Offered by your Employer: Employers are required to furnish Form 1095-C only to the employee. As the recipient of this Form 1095-C, you should provide a copy to any family members covered under a self-insured employer-sponsored plan listed in Part III if they request it for their records.

Part	Column	Noted Revisions	Lines	Codes	CY2016	CY2015
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	Column (c)				Enter a date of birth (MM/DD/YYYY) for the covered individual only if column (b) is blank.	Enter a date of birth (MM/DD/YYYY) for the covered individual only if column (b) is blank.
	Column (d)				Check this box if the individual was covered for at least one day per month for all 12 months of the calendar year.	Check this box if the individual was covered for at least one day per month for all 12 months of the calendar year.
	Column (e)				If the individual was not covered for all 12 months of the calendar year, check the applicable box(es) for the months in which the individual was covered for at least one day in the month.	If the individual was not covered for all 12 months of the calendar year, check the applicable box(es) for the months in which the individual was covered for at least one day in the month.

**Thank You
for your Time and Attention!**

Questions and Answers Session

Filing Deadlines

Reporting Requirement	2016 Original Date	2016 IEBP Date	2016 IRS Date	2017 Original Date	2017 IEBP Date	2017 IRS Date
Individual Transmittal Mail Date	31-Jan-16	26-Feb-16	31-Mar-16	An employer must furnish a Form 1095-C to each of its full-time employees by January 31 following the year to which the Form 1095-C relates.		
Final Corrected Spreadsheet to IEBP	28-Feb-16	29-Apr-16	31-May-16			
<250 Filings option for paper filing	28-Feb-16			28-Feb-17		
IEBP Pool and ASO's /Greatland Electronic Download to IRS	31-Mar-16	June 10-17, 2016	<u>Industry Standard Comments</u> <u>7-10% error rate expected</u>	31-Mar-17		
<p>If the regular due date falls on a Sat or Sun or legal holiday, file the next business day. A business day is defined as any day that is not a Saturday, Sunday or legal holiday.</p> <p>Required Electronic Filing if 250 or more returns.</p>						

Reporting Requirements & Timelines

➤ Filing

- Entities filing 250 or more of any type of ACA information returns are required to file those returns electronically through the AIR System (Affordable Care Act Information Return System)

➤ Filing Deadline

- Return and transmittal form must be filed with the IRS on or before:
 - February 28 (March 31 if filed electronically) of the year following the calendar year coverage.
 - If falls on a Saturday, Sunday or legal holiday, file by the next business day. Must file electronically if 250 or more individual transmittals.
- Texas files to:
 - Department of the Treasury, Internal Revenue Service Center, Austin, TX 73301
- Oklahoma files to:
 - Department of the Treasury, Internal Revenue Service Center, Kansas City, MO 64999

2014/2015 Lessons Learned

- Insurance Marketplace OIG report finds problems with verifying plan eligibility and data inconsistencies include:
 - Washington states about 1.8 million households that got financial help for health insurance under President Obama’s law have issues with their tax returns that could jeopardize their subsidies next year
 - Social Security numbers were not always validated through the Social Security Administration.
 - Citizenship was not always verified properly.
 - Annual household income was not always verified properly.
 - Family size was not always determined correctly.
 - Inconsistencies related to certain eligibility requirements were not always resolved or expired properly.
 - Applicant data and documentation related to resolving inconsistencies were not always maintained properly.
 - Consumers that received tax credits are required to file tax returns that properly account for them.
 - About 760,000 households that received tax credits and/or requested tax returns omitted a new form that is the key to accounting for the subsidies called **form 8962**.
- The national average was \$272 a month, covering roughly $\frac{3}{4}$ of the premium.
- Reinsurance Trust Fund only pay for 12.6% of the high risk corridor
 - Maryland’s health cooperative filed a lawsuit Monday seeking to block the federal government from requiring it to pay more than \$22 million in fees for a program designed to cover insurance company shortfalls.
 - New Mexico Health Connections and Minuteman Health of Massachusetts filed their cases on Friday July 29, 2016afternoon, arguing the Obama administration mismanaged the program known as “risk adjustment” by creating an inaccurate formula that overly rewarded big insurers.

IEBP Lessons Learned

➤ IEBP Enhancements

- Lack of Dependent Drops on ALE Groups due to non self-funded entity
 - IEBP is a self-funded entity and we take risk on behalf of our Pool membership.
 - IEBP purchases stop loss at \$750,000 specific deductible because we are self-funded.
 - The IEBP Pool is self-funded but we were coached that each one of our members were fully-funded under the IEBP self-funded umbrella.
 - Due to the above information, IEBP identified each one of our Pool members as “Employer Sponsored Coverage” for Non-ALE employers and for the ALEs we identified the employer as non-self-funded.
 - These decisions created no dependent drops on the 1095-C. The dependents did drop on the 1095-B.
 - Depending on size of employer and funding status of plan, IRS requires reporting entities to use of one or two sets of forms:
 - B Forms
 - Form 1095-B, generally used to distribute coverage information to covered individuals in (i) all fully insured plans, or (ii) self-insured plans maintained by non-ALEs
 - Form 1094-B, used to batch and transmit copies of the distributed Forms 1095-B to the IRS
 - C Forms
 - Form 1095-C, used by ALE members to distribute offer and coverage information to (i) all full-time employees, and (ii) other individual covered under any self-insured plan they maintain
 - Form 1094-C, used to batch and transmit copies of the distributed Forms 1095-C to the IRS, and to make certain ALE member-wide certifications

IEBP Lessons Learned

▶ IEBP Enhancements

- More Education for ALE and Non-ALE Groups
 - Aggregating Census Count
 - Full-time Employee Count
 - ▶ Full-time
 - ▶ Part-time
 - ▶ Transitional: Full-time to Part-time or Part-time to Full-time
 - ▶ Seasonal (six month measurement)
 - ▶ Bona Fide Volunteer
 - ▶ Firefighter Volunteers
 - ▶ Contract Labor
 - ▶ Variable Hour
 - ▶ Non-Covered FTEs
 - Measurement Periods
 - ▶ Administrative Period
 - ▶ Look Back Period
 - ▶ Stability Period
 - Reporting Notification
 - ALE Action Steps
 - Non-ALE Action Steps
 - Continue FAQ Communication

IEBP Lessons Learned

➤ IEBP Enhancements

- System Enhanced Navigation Tools
 - Alpha Sort
 - Filter
 - 2015 and 2016 ongoing Employee sort Filter with no additional audit requirements (demographic check)
 - Increase the Fields IEBP Prepopulates
 - Back Button Request
 - Stress Testing Improvement
 - Browser Friendly Information
 - Employee Duplicate Ease of Deletion
 - Update Employees Return to Same Site Location after Update
- Paper Eligibility Request Redundancy/Non-Covered Dependents
(DELETED for THIS YEAR)
- Electronic Individual Transmittal Remittance
 - E-mail Address for Employees
- ALE Double check the drop of people who never had coverage, some of them need declination but some were not offered benefits

Greatland Lessons Learned

▶ Greatland Enhancements

- Duplicate TIN issue due to IEBP's membership working for more than one employer
- Bad Socials i.e., dependents transitioned to Date of Birth
- Import Capabilities for accumulate list of errors
- IRS Aggregate Transmittal
 - Estimated 7%-10% Error Rate
- Next Year January 31 Print and Mail date similar to 1099
- Business Rules for Safe Harbor Allowances
- Individual Transmittal
 - Manual Print
 - Envelope Friendly Options
- Improved Navigation
 - Filter for Employees
 - Import Override Ability
 - Add-on Ability
- Employer Receipt of Data Transmittal
- Data Field Definitions
- IRS/Greatland Ease of Interoperability Improvement