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Health Care Reform Employer and Plan Reporting Requirements

Health Care Reform requires applicable large employers and plan sponsors of self-insured medical plans to report certain information to the IRS and employees. The first reports will be due in 2016, based on 2015 calendar year information.

Employer Reporting. Beginning with the 2015 calendar year, each *Applicable Large Employer Member* (see below) must report the following information to both its full-time employees and the IRS:

- The name, address, and EIN of the employer and the name and telephone number of the employer's contact person (may be a third party);
- The calendar year for which the information is reported;
- The number of full-time employees for each month during the calendar year;
- For each calendar month, a certification of whether minimum essential coverage was offered to full-time employees and their dependents; and
- For each full-time employee:
 - The months during the calendar year during which minimum essential coverage was available;
 - The employee's share of the lowest-cost monthly premium for self-only coverage offered to that employee; and
 - The name, address and Social Security number of the employee, and the months the employee was covered under the plan.

Applicable Large Employer Member. *Applicable Large Employers* generally are employers who, on a controlled group basis, employed an average of at least 50 full-time employees during the preceding calendar year. However, the reporting requirements apply separately to each *Applicable Large Employer Member* (i.e., each entity that is an employer within the controlled group is separately responsible for reporting).

Plan Reporting. Each *Applicable Large Employer* that offers self-insured* minimum essential coverage must also report the following information to the IRS and each enrolled employee or retiree:

- The name, address, and EIN of the plan sponsor;
- The name, address and Social Security number of each enrolled employee or retiree, and the number of months each employee or retiree was enrolled in the plan; and
- The name and Social Security number of each enrolled dependent, and the number of months each dependent was enrolled in the plan.

*For fully-insured coverage, the insurance carrier is responsible for reporting.

Reporting Deadlines. Employer reporting and plan reporting both must be completed on or before the March 31st (February 28th for paper filers) following the end of the calendar year (*i.e.*, March 31, 2016, for the 2015 calendar year). IRS Form 1095-C may be used to satisfy both the employer and plan reporting requirements. The same information must also be furnished to each employee identified on the report no later than the January 31 following the end of the calendar year (*i.e.*, February 1, 2016, for the 2015 plan year, as January 31, 2016 is a Sunday), and employee information may be mailed along with the Form W-2 or distributed electronically if the employer complies with certain electronic consents requirements.

Simplified Reporting. In certain circumstances, simplified reporting may be available:

- For full-time employees (and their spouses and dependents) who receive a "qualifying offer" (meaning the cost of employee-only coverage does not exceed 9.5% of the Federal Poverty Level) of minimum value coverage for all 12 months of the year, employers will need to report to the IRS only the names, addresses and Social Security numbers of those employees, and the fact that they received a full-year "qualifying offer."
- For 2015 only, employers who certify that a qualifying offer was made to at least 95% of its full-time employees (and their spouses and dependents) may use the simplified reporting for all employees (even those who did not receive an offer of coverage for all 12 months of the year).
- Employers who certify that affordable minimum value coverage was offered to at least 98% of employees (regardless of whether the employees are full-time) will not be required to identify in the report which employees are full-time.

Conclusion. For plan sponsors of self-insured plans, the reporting requirements require detailed, burdensome reporting to the IRS and employees.

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