



ACA Form 1095 – 2016 Coverage Reports

Understanding 1095 Coverage Reports

To help clients meet their ACA information reporting obligations¹, Health Plans will again distribute ACA Form 1095 Coverage Reports (1095 Coverage Reports) to the clients whose plans we administered in 2016. The 2016 Coverage Reports will be emailed to client contacts identified as having authority to access Protected Health Information (PHI) during the last week of December, with all reports emailed on or before December 30, 2016. All enrollment changes submitted to Health Plans by December 16, 2016 will be reflected in the reports.

The data will help employers complete Forms 1095-C (for Applicable Large Employers) and Form 1095-B (for small employers).²

The purpose of the Forms 1095 is two-fold:

- To provide the IRS with the information it needs to determine whether an employer has met the requirements of the employer mandate or may be subject to an ACA penalty
- To provide the IRS and employees with the information they need to document whether employees and dependents have met the requirements of the individual mandate or may be subject to an ACA penalty

Content of the 1095 Coverage Reports

The reports will list each individual covered under plans administered by Health Plans at any time during 2016, and will include the following data to help complete the Forms 1095:

For Parts I and III, Form 1095-C:

Part I—Items 1 through 6 (covered employee name, address, SSN/ITIN or DOB)

Part III—Items a through e (covered employee and dependent names, SSNs or DOBs, and days covered each month)

For Parts I and IV, Form 1095-B:

Part I—Items 1 through 7 (covered employee name, address, SSN/ITIN (if available) or DOB)

Part IV—Items a through e (covered employee and dependent names, SSNs/ITINs or DOBs, and days covered each month)

A sample 1095 Coverage Report is attached to this *Alert*, and includes a key to each data element. Clients will also be able to sort data by department and identify whether each individual's coverage is linked to active employment or some other status such as COBRA or retirement.

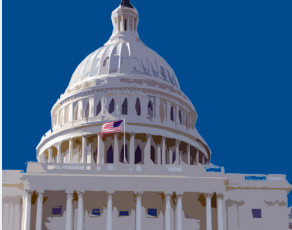
The 1095 Coverage Reports will include how many days employees and dependents were covered during each month that Health Plans administered your plan during 2016.

Employers will need to obtain other required information from their personnel and payroll records, such as whether or not (and why) an employee was offered coverage, and the employee cost of self-only coverage.

Continued on pg. 2

¹See [June 1, 2015 Compliance Bulletin](#)

²Applicable Large Employers (ALEs) are employers which averaged 50 or more full time employees and full-time equivalents during the previous calendar year. All other employers are small employers.



ACA Form 1095 – 2016 Coverage Reports

Important information about Social Security Numbers

The 1095 Coverage Reports clients receive will include any SSNs or ITINs (Individual Taxpayer Identification Numbers) that have been supplied to Health Plans by our clients or covered members.

Under the ACA rules for reporting offers of health coverage to employees and dependents, if any SSNs/ITINs are missing, employers are required to make, and should carefully document, at least three separate attempts to obtain them:

- Request 1:** During initial enrollment either at hire or during Open Enrollment
- Request 2:** If not provided under (1), then within 75 days after enrollment
- Request 3:** If not provided under (1) or (2), then the third and final attempt must be by December 31 of the year following enrollment.

Until an SSN is received, a member's date of birth must be used to help the IRS confirm identity. If all three attempts are made, and SSNs/ITINs are still not provided, employers sponsoring self-insured plans and insurers will continue to provide member date of birth for inclusion on the forms.

Who gets Form 1095?

ALEs use Form 1095-C (1094-C for transmittal to the IRS) and small employers use Form 1095-B (1094-B for transmittal to the IRS).

ALEs offering self-funded plans must issue Forms 1095-C to:

- Employees who were full-time at any time during 2016, regardless of whether they were enrolled in coverage
- All other individuals (e.g., part-time employees, retirees, COBRA enrollees) who were enrolled in coverage at any time during 2016

Small employers offering self-funded plans must issue Forms 1095-B to those enrolled in coverage at any time during 2016.

Links to the IRS 2016 instructions and applicable forms

[Instructions for Forms 1094-C and 1095-C \(2016\)—IRS.gov](#)

- [Form 1095-C, Employer-Provided Health Insurance Offer and Coverage Insurance—IRS.gov](#)
- [Form 1094-C, Transmittal of Employer-Provided Health Offer and Coverage Information Returns—IRS.gov](#)

[Instructions for Forms 1094-B and 1095-B \(2016\)—IRS.gov](#)

- [Form 1095-B, Health Coverage—IRS.gov](#)
- [Form 1094-B, Transmittal of Health Coverage Information Returns—IRS.gov](#)

If you have any questions about these reporting requirements or the 1095 Coverage Report that we will send during the last week in December, please contact your Account Manager.

The information contained in this Compliance Alert is based on our current understanding of recent regulatory developments which may affect group benefit plans. It should not be construed as specific legal advice or legal opinion. The contents are for general informational purposes only and are not a substitute for the advice of legal counsel.