

# Employer Information Reporting Requirements for the Affordable Care Act

## ACA Reporting for 2015

### Who needs to file?

#### **≥50** Employers with 50 or more employees

For calendar year 2015, employers with 50 or more full-time employees (and full-time equivalent employees) and all self-insured employers, must report healthcare coverage information both to employees and to the IRS. Reporting is mandatory for 2015.

Full-time employees worked an average of 30 hours or more per week for more than 120 days in a year. [Healthcare.gov](http://Healthcare.gov) provides useful tools such as a Full-Time Equivalent Employee (FTE) Calculator.

#### Employers with Employer-Sponsored Self-Insured Plans

**1 to 100+** Employers of all sizes that offer employer-sponsored self-insured coverage will also be required to report information to the IRS and to affected individual employees about individuals who have minimum essential coverage under the employer plan.

Small Self-Insured Employers would file Forms 1094-B and Forms 1095-B; Large Self-Insured Employers would file the necessary information using Part III of Forms 1094-C and 1095-C.

#### **<50** Small Employers with Fewer Than 50 Employees that are Members of a Controlled/Affiliated Service Group

Small employers with fewer than 50 full-time employees (and full-time equivalents) need to file Forms 1095-C and 1094-C if they are members of a controlled or affiliated service group that collectively has at least 50 full-time employees.

Companies could be in a controlled or affiliated service group if they share owners, provide services for each other, or work together to provide services to third parties.



### What are the filing deadlines?

- Form 1095-B or Form 1095-C provided to employees by March 31, 2016 and due to IRS by May 31, 2016
- Form 1094-B or Form 1094-C due to the IRS by May 31, 2016
- If filing electronically all forms due to the IRS by June 30, 2016

May 2016						
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

### What are the fines and penalties?

**\$** Employers who fail to report will be subject to fines. The penalty is \$100 per violation, up to a maximum of \$1.5 million per year.

Employers that report within 30 days of the deadline will be fined \$30/violation.

Employers that file within five months of the deadline will be fined \$60/violation.

The penalties will increase to \$250/violation next year, with a maximum of \$3 million per year, with \$50/violation if filed within 30 days, and \$100/violation if filed after 30 days.

Entities that intentionally disregard the requirements face a penalty of \$250/violation this year and \$500/violation in 2016, with no cap on potential liability.

### What should employers do to prepare?



Employers must establish proper documenting procedures, including keeping track of each employee's full-time or part-time status month-by-month, and information about health coverage and enrollment month-by-month.

Discuss the reporting requirements with all of your applicable service providers (plan administrator, payroll vendor, and/or a qualified legal representative, etc.) to help you determine your company's readiness for complying with the new information-reporting requirements for employers under the ACA.

**Questions?** Resources are available on the Internal Revenue Service website at [www.irs.gov/Affordable-Care-Act/Employers](http://www.irs.gov/Affordable-Care-Act/Employers).