ACA Reporting for Employers
How to meet your reporting obligations for 2018

If your organization is subject to the ACA’s employer mandate, your deadlines for reporting 2018 offers of health insurance coverage are approaching. Are you ready? There are many caveats and wrinkles related to employer reporting under the ACA, but here’s a quick rundown of the forms you may need to complete (and the forms your insurers will complete), along with information on deadlines and obtaining extensions.

If you are fully insured

› Prepare a Form 1095-C for each employee who was considered an ACA full-time employee for at least a month in 2018. Complete Parts I (personal information) and II (offers of coverage), with a copy to the IRS.
› Prepare a Form 1094-C to transmit to the IRS, with copies of your Forms 1095-C.
› Your insurer will send to each employee (whether full-time or otherwise) who was enrolled in coverage for at least a day in 2018 a Form 1095-B showing months of actual coverage supplied to the employee and his or her dependents.

If you are self-insured

› Prepare a Form 1095-C for each employee who was:
  • Considered an ACA full-time employee for at least a month in 2018, even if he or she had no coverage (complete Parts I and II).\(^1\)
  • Considered an ACA full-time employee for at least a month in 2018 and had coverage for at least a day under a self-insured plan you sponsored or in which you participated, such as a plan of an affiliate (complete Parts I, II and III).
  • Not an ACA full-time employee for at least a month in 2018 but had your self-insured coverage for at least a day (complete Parts I and III, and place an abbreviated entry in Part II).
› Prepare a Form 1094-C to transmit to the IRS, with copies of your Forms 1095-C.
If you have bargaining unit employees potentially eligible for “minimum value” and affordable coverage under a union-affiliated plan to which you are obligated to make contributions

You’ll follow the same instructions noted above for fully insured employers, except that if the union-affiliated plan is self-insured, the plan will send covered employees a Form 1095-B. When you complete Form 1095-C for your full-time bargaining unit employees, there are special codes you’ll use to explain that coverage is provided through the union-affiliated plan.

If you have experienced a merger or acquisition

Mergers and acquisitions pose a host of issues under the ACA employer-reporting rules, particularly if you are subject to the employer mandate and acquire a company that is not, or you continue to provide coverage for a while, under a transition services agreement, to employees who go with a buyer. A stock purchaser might need from the seller all hours of service and health insurance coverage data on the acquired employees.

If you are a governmental employer

Employer reporting under the ACA is generally an EIN-by-EIN affair, but governmental employers have the opportunity to designate a related governmental unit as their filing proxy.

When are forms due?

- Forms are due to your employees by March 4, 2019.
- If you’re submitting paper copies to the IRS, they’re due by Feb. 28, 2019.
- If you’re submitting copies to the IRS electronically, they’re due by April 1, 2019.

NOTE: If you’re submitting copies for 250 or more employees to the IRS, you must submit them online unless you apply for and receive a waiver from the e-filing requirement.
Need an extension?

If you need more time to submit your forms to the IRS, file a Form 8809 for an automatic 30-day extension. Here are some tips:

› If you need more time after you’ve already filed for a 30-day extension, submit another Form 8809. Check the box on line 5, and add an explanation for the additional extension on line 7. The second extension is not automatic.

› Forms 8809 must be filed before the original deadlines noted above. You cannot request an extension after a deadline has already passed.

› You may file Form 8809 on paper or electronically using the IRS’ FIRE system.

› There is no extension available, beyond the March 4 deadline, for supplying Forms 1095-C to employees. However, the IRS may excuse penalties for a late furnishing of the forms, upon a showing of reasonable cause.

Employers with an average of at least 50 full-time/full-time equivalent employees in their controlled or affiliated service group during 2017 must comply with ACA employer mandate reporting. Reporting is accomplished on an EIN-by-EIN basis. In addition, the reporting obligation applies to any employer that is too small to be subject to the employer mandate (i.e., had fewer than 50 full-time and full-time equivalent employees in 2017) but offers self-insured health coverage.

For purposes of this reporting obligation, some employees are not considered “full-time” for one or more months in 2018 even though they might have worked full-time hours for one or more months. These include employees who had not, by the end of 2018, completed certain waiting periods under a health plan. They also include newly hired variable-hour, part-time or seasonal employees who had not, by the end of 2018, completed their initial measurement and administrative periods.