

## ACA - ACA Reporting Reminders and Changes for Reporting Period 2017

Under the Affordable Care Act (ACA), applicable large employers (ALEs) - those with at least 50 full-time employees, including full-time equivalent employees, on average during the prior year - are required to report information related to the health coverage they offered (or did not offer) their employees working 30 or more hours per week. Employers offering self-insured health plans are also required to report information related to their health plan offerings. The reporting penalties for failing to distribute 1095-C's to employees and file the 1094-C with the IRS can reach \$250 per form.

### 1. Basics

The name, EIN, and address entered on Forms 1094-C and 1095-C should match for each ALE member.

- The contact person on the forms can be different.

### 2. Extensions

On December 22, 2017, the IRS issued Notice [2018-06](#), extending the due date for furnishing to individuals the Form 1095-B (*Health Coverage*) and the Form 1095-C (*Employer-Provided Health Insurance Offer and Coverage*) from **January 31, 2018 to March 2, 2018**.

An extension was not granted for the filing of forms with the IRS. Those deadlines remain as follows:

**February 28, 2018** – due date to file Form 1094-C or Form 1094-B to the IRS *if filing on paper*, along with Form 1095-C or Form 1095-B.

**April 2, 2018** – due date to file Form 1094-C or Form 1094-B to the IRS *if filing electronically*, along with Form 1095-C or Form 1095-B.

### 3. Form Revisions

The 2017 forms and instructions are very similar to 2016. Minor changes – meant to simplify or clarify – include the following:

- Removal of references to transition relief options that are no longer available to ALEs.
- Confirmation that the multiemployer interim relief rule remains in place for ALEs that contribute to a multiemployer plan (e.g., union trust).
- Updated references for items that have been adjusted for inflation. For example, the affordability percentage is 9.69 for 2017.
- Additional note in the instructions for Form 1095-C, line 16, stating that "There is no specific code to enter on line 16 to indicate that a full-time employee offered coverage either did not enroll in the coverage or waived the coverage."

### 4. Potential Penalties

The amounts for "Pay or Play" penalties are indexed to increase each calendar year. For 2017 the penalties are as follows:

- For an ALE that does not offer Minimum Essential Coverage (MEC) to at least 95% of its full-time employees, and their dependents, and just one full-time employee receives a premium tax credit, the penalty is \$2,260 per all full-time employees less the first 30.
- For failure to meet the affordability requirement - \$3,390 per full-time employee receiving a premium subsidy.

#### **5. Affordability Safe Harbor**

The Federal Poverty Level for a single individual was raised to \$12,060 for the 2017 calendar year.