# April 2, 2019 HBR Alert

## 1095 Reporting Solutions for 2019

The Affordable Care Act (ACA) created the requirement for yearly 1095 reporting.  As a self-insured employer, you are required to file either form 1095-B or 1095-C with the Internal Revenue Service (IRS) each year.  These forms have to be delivered to the IRS and to your employees as evidence of compliance with the ACA.

<u>All employers utilizing the State Health Plan are self-insured employers.</u>

The filing of 1095-B forms is required by the IRS for self-insured employers with less than 50 Full-Time Equivalents (FTEs) on average during the prior year (2018).  All coverage provided for employees and their dependents must be reported via the 1095-B forms for these employers.

The filing of 1095-C forms is required for employers with 50 or more FTEs on average during the prior year (2018).  A 1095-C is filed for each full-time employee who worked for the employer during the year, indicating all offers of coverage in Part II of the form.  Also, for self-insured employers, all coverage provided for employees and their dependents must be reported on the 1095-C forms in Part III.

The Plan has identified solution options for those employers looking for a complete or "Full Service" solution and for those who only need the data to support their own reporting solution. A description of the solution options is below.

The Plan is accepting sign-ups for the "Full Service" solutions.  Please respond to ACA@nctreasurer.com before **July 31, 2019**, if you wish to participate.  Please indicate which solution you need, 1095-C or 1095-B.  If you need the 1095-C solution, please also indicate if you would like to purchase the optional, add-on Data Support service, as described below. This is a new option for 2019.

If we do not hear from you, we will assume you are "Data Only" and that you have identified your own reporting solution.


<u>1095-B (**Less than 50 FTEs on average in 2018**) Full Service Solution</u> – **$800 per Employer**


- The Plan to provide formatted data to the ACA vendor (ACA-GPS acagps.com)
- ACA vendor prints and mails forms to Employees by 1/31/2020
- Data Corrections Period 2/1/2020 – 3/15/2020 for any discovered errors
- ACA vendor submits data to IRS electronically by 3/31/2020
- State Health Plan bills the employer for $800 by 3/31/2020

<u>1095-C (**50 or more FTEs on average in 2018**</u>) <u>Full Service Solution</u> – **$6.25 per 1095-C plus Postage**

- Active Employee Data – Available via Self-Serve Report on the ACA Reporting Menu
- COBRA Data – The Plan to deliver data to employers by 12/6/2019 in Benefitfocus format
- COBRA data loaded to Benefitfocus via Upload tool or ACA Info screen <u>by Employer</u>
- Part II and Part III data updated and loaded to Benefitfocus via Upload tool <u>by Employer</u>
- 1094-C filled out <u>by Employer</u> by 9/13/2019
- Cover Letter – Supplied <u>by Employer</u> by 11/29/2019
- <u>Employer</u> Approves Data for Printing and Mailing by 1/07/2020
- Benefitfocus QA of all data
- Benefitfocus prints and mails forms to Employees by 01/31/2020
- <u>Employer</u> makes corrections to data, based on Employee feedback
- <u>Employer</u> Approves Data for Transmission  to the IRS by 3/6/2020
- Benefitfocus QA of all data
- Benefitfocus submits data to IRS electronically by 3/31/2020
- State Health Plan bills the employer by 3/31/2020 based on the number of forms filed

<u>1095-C – Data Support Option**</u> – **$4500 (under 1000 employees) or $7500 (over 1000 employees)**

- ** This cost is in addition to the $6.25 plus postage per form.
- 1094-C filled out <u>by Employer</u> by 9/13/2019
- Employer works with Benefitfocus to create business rules for Part II Codes (State Health Plan  will provide Subject Matter support)
- <u>Benefitfocus</u> will update ACA Data according to the business rules. This includes the processing of COBRA data. Employer does not need to update or load any data when choosing the Data Support Option
- <u>Employer</u> reviews the data and provides final approval for mailing and IRS submission.

<u>Data Only Solution</u> – **No Cost**

- Active Employee Data – Self-Serve Report on the ACA Reporting Menu
- COBRA Data – State Health Plan to deliver to employers by 12/6/2019 in Benefitfocus format
- <u>Employer utilizes the data to feed their identified reporting solution.</u>

- This solution is available for all employers. No sign-up required.