

## April 24, 2023, HBR Alert



### **State Health Plan 1095 Reporting Solutions for 2023**

*Please note that this message is for Non-Beacon Agencies. Best Shared Services handles this service for all BEACON agencies. Also, the solution options below have been identified by the State Health Plan to assist with your obligation to the IRS. Yearly reporting is required by the IRS for all employing units, but it is not required that an employing unit utilize one of the options below to satisfy their reporting obligation.*

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

All employers utilizing the State Health Plan are self-insured employers and therefore required to comply with these requirements.

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 (2022). 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 (2022). 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 State Health 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](mailto:ACA@nctreasurer.com) before **July 31, 2023**, 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.

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

**1095-B (Less than 50 FTEs on average in 2022) Full-Service Solution – \$625 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 1/31/2024
- Data Corrections Period 2/1/2024 – 3/15/2024 for any discovered errors
- ACA vendor submits data to IRS electronically by 3/29/2024
- State Health Plan bills the employer for \$625 by 3/29/2024

**1095-C (50 or more FTEs on average in 2022) Full-Service Solution – \$6.50 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 12/8/2023 in Benefitfocus format
- COBRA data loaded to Benefitfocus via Upload tool or ACA Info screen by Employer
- Part II and Part III data updated and loaded to Benefitfocus via Upload tool by Employer
- 1094-C filled out by Employer by 9/8/2023

- Cover Letter – Supplied by Employer by 11/30/2023
- Employer approves data for printing and mailing by 1/5/2024
- Benefitfocus performs quality assessment of all data
- Benefitfocus prints and mails forms to employees by 01/31/2024
- Employer makes corrections to data, based on employee feedback
- Employer approves data for transmission to the IRS by 3/1/2024
- Benefitfocus performs quality assessment of all data
- Benefitfocus submits data to IRS electronically by 3/29/2024
- State Health Plan bills the employer by 3/29/2024 based on the number of forms filed

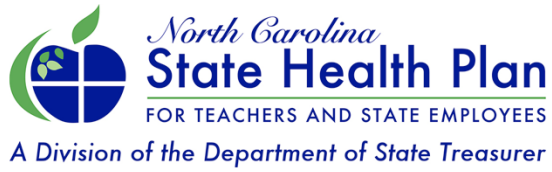
**1095-C – Data Support Option\*\* – \$4,500 (under 1,000 employees) or \$7,500 (over 1,000 employees)**

- \*\* This cost is in addition to the \$6.50 plus postage per form
- 1094-C filled out by Employer by 9/8/2023
- Employer works with Benefitfocus to create business rules for Part II Codes (State Health Plan will provide Subject Matter support)
- Benefitfocus 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
- Employer reviews the data and provides final approval for mailing and IRS submission

**Data Only Solution – No Cost**

- Active Employee Data – Self-Serve Report on the ACA Reporting Menu
- COBRA Data – State Health Plan to deliver to employers by 12/8/2023 in Benefitfocus format
- Employer utilizes the data to feed their identified reporting solution

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



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