

# WEBINAR TAKEAWAYS: SHARED RESPONSIBILITY REPORTING



## Employer Shared Responsibility

Applicable Large Employers (ALEs: Employ 50+ full-time employees) are required to offer minimum essential coverage (affordable & minimum value) to full-time employees.

### United States Code (USC)

**Section 6000A: Individual Mandate**

**Section 4980H: Employer Mandate**

#### Penalties:

**4980H(a):** Penalty for not offering minimum essential coverage to full-time employees

**4980H(b):** Penalty for offering minimum essential coverage deemed not to be affordable or not providing minimum value

### IRS Code

**Section 6055: Details Coverage reporting**

Every provider of minimum essential coverage will report coverage info to IRS (file information return & furnish statement to participants)

**Section 6056: Details Offer of Coverage reporting**

Requires ALEs to file information returns w/ the IRS + provide statements to full-time employees about the health coverage offered

#### Penalties:

IRS determines if employers owe a penalty for not providing mandated coverage / are entitled to a subsidy to purchase through an Exchange

## Coverage Reporting (\$6055)

Required of any entity providing minimum essential coverage to an individual

- **Fully-insured:** Completed by insurance carrier
- **Self-insured:** Completed by employer

## Offer Reporting (\$6056)

Required of all ALEs, even if they don't offer coverage

- Always done on Forms 1094C & 1095C

## Terminology

**1094:** Summary forms → go to IRS

**1095:** Individual employee forms → go to employees AND to IRS

**B:** Coverage reporting

**C:** Offer of Coverage reporting (Except for Self-insured ALEs: C=BOTH Coverage & Offer reporting.)

## Filing Responsibilities by Employer Type

	1094B	1094C	1095B	1095C
<b>Fully-Insured ALE</b>	Insurance carrier completes and sends to IRS	Employer completes and sends to IRS	Insurance carrier completes and sends to IRS & employees	Employer completes Parts I & II ONLY and sends to IRS & employees
<b>Self-Insured ALE</b>	Not required	Employer completes and sends to IRS	Not required	Employer completes Parts I, II & III and sends to employees (Required for full-time employees + all other covered individuals)
<b>Fully-Insured Non-ALE</b>	Insurance carrier completes and sends to IRS	Not required	Insurance carrier completes and sends to IRS & employees	Not required
<b>Self-Insured Non-ALE</b>	Employer completes and sends to IRS	Not required	Employer completes and sends to IRS & employees	Not required