



Maine Municipal Employees Health Trust

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To: Health Trust Participating Employers
From: Anne Wright, Director, MMEHT
Date: January 15, 2016
Re: Affordable Care Act (ACA) Reporting Update

We recently notified you of IRS Notice 2016-04, Extension of the Due Dates for 2015 Information Reporting Under I.R.C. ss. 6055 and 6056. IRS Notice 2016-04 extends the deadline for providing Forms 1095-C and 1095-B forms to employees. It also extends the deadlines for submitting these forms to the IRS.

The deadline for providing Forms **1095-B** (which provides information regarding the months in which employees and their family members were enrolled in employer-sponsored health insurance coverage) and **1095-C** (which provides information regarding the affordability of employer-sponsored health insurance coverage) to employees has been extended from February 1, 2016, to **March 31, 2016**. The deadline for filing these forms with the IRS has been extended from February 29, 2016, to **May 31, 2016** if filing via paper forms; and from March 31, 2016, to **June 30, 2016**, if filing electronically.

Who Provides Which Forms - and When?

The **Health Trust** will provide a **Form 1095-B** to **each employee who was covered** under a Health Trust health plan during 2015. **Applicable Large Employers** are responsible for providing a **Form 1095-C** to **each employee who met the definition of a full-time employee** (i.e., worked a minimum of 30 hours per week / 130 hours per month) in 2015. Please refer to prior updates for more information on the definition of an Applicable Large Employer, and on who must receive Forms 1095-B and 1095-C.

The Health Trust is in the process of working with its eligibility and data vendor (HealthAxis) to produce Forms 1095-B. Since these are new forms, and new filing requirements, we will most likely be taking advantage of at least part of the extension offered by the IRS, in order to ensure that all information provided on these forms is correct. Once completed, the Forms 1095-B will be sent to all employees who were covered under a Health Trust health plan in 2015. We hope to have the Forms sent out by mid-February.

What About Filing Your Tax Return?

A number of employers have expressed concern that employees won't receive their forms 1095-B and 1095-C in time to file their tax returns for this year. The IRS addresses this issue on its website (www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Gathering-Your-Health-Coverage-Documentation-for-the-Tax-Filing-Season) - note the sections highlighted in **yellow**:

Proof of Insurance

Taxpayers are not required to send the IRS information forms or other proof of health care coverage when filing their tax return. However, it's a good idea to keep these records on hand to verify coverage. This documentation includes

- Form 1095 information forms,
- insurance cards,
- explanation of benefits,
- statements from your insurer,
- W-2 or payroll statements reflecting health insurance deductions,

- records of advance payments of the premium tax credit and
- other statements indicating that you, or a member of your family, had health care coverage.

If you are expecting to receive a Form 1095-A, Health Insurance Marketplace Statement, you should wait to file your 2015 income tax return until you receive that form.

Some taxpayers may not receive a Form 1095-B or Form 1095-C from their coverage providers or employer by the time they are ready to file their 2015 tax return. Like last year, taxpayers can prepare and file their returns using other information about their health insurance. You should not attach any of these forms to your tax return.

While your employer may be able to assist you in verifying your coverage, most employers are not required to provide documentation specific to your health care coverage.

The IRS has also updated the Instructions for the 2015 Form 1040 to address this question. Here's the language on page 52 of the Instructions, with regard to Line 61 (Health Care: Individual Responsibility) – (www.irs.gov/pub/irs-pdf/i1040gi.pdf) – again, note the section highlighted in yellow:

If you or someone in your household had minimum essential coverage in 2015, the provider of that coverage is required to send you a Form 1095-A, 1095-B, or 1095-C (with Part III completed) that lists individuals in your family who were enrolled in the coverage and shows their months of coverage.

Individuals enrolled in health insurance coverage through the Marketplace generally receive this information on Form 1095-A, Health Insurance Marketplace Statement.

Individuals enrolled in health insurance coverage provided by their employer generally receive this information on either Form 1095-B, Health Coverage, or on Form 1095-C, Employer-Provided Health Insurance Offer and Coverage.

Individuals enrolled in a government-sponsored health program or in other types of coverage generally receive this information on Form 1095-B, Health Coverage.

Even if you haven't received one of these forms, you may have had health care coverage and can rely on other information you have about your coverage to complete line 61.

Information for Employers

We have heard from a number of Health Trust participating employers, requesting information on which of their employees will be receiving a Form 1095-B, and which employees (and their dependents) were covered under a Health Trust health plan in 2015. In an effort to assist as many of these employers as possible, we will be making available a spreadsheet for each employer who requests it, showing information related to their particular employees. This information will be emailed to requesting employers, in a password-protected excel spreadsheet. As with the Forms 1095-B, we hope to have this information available in mid-February.

We will email one spreadsheet to each requesting employer, to either the Town or City Manager, Executive Director, Finance Director, or Human Resources Director (whichever is appropriate). If you wish to receive a copy of this spreadsheet for your employer group, or if you wish to designate someone to receive the spreadsheet, please send me an email with the subject line "ACA 1095 Reporting Spreadsheet". All email requests should be sent to me at awright@memun.org.

Have a great weekend!

Please note that the Maine Municipal Association and the Maine Municipal Employees Health Trust are sharing this information to assist you with your compliance planning. We recommend that you contact your legal counsel with specific questions relating to this law.