HEALTH CARE REFORM ADVISORY

December 3, 2019

2019 ACA REPORTING REQUIREMENTS
THIRTY-DAY EXTENSION

SUMMARY

Yesterday, the IRS issued a 30-day extension for a “reporting entity” to supply employees with Forms 1095-C or 1095-B, as applicable. The date is extended from January 31, 2020 to March 2, 2020. The date to provide the IRS with the same information was NOT extended; and remains due as of March 31, 2020.

A reporting entity is defined in the Affordable Care Act as a health insurance carrier, in the case of fully insured coverage, or a plan sponsor of self-insured group health coverage.

<table>
<thead>
<tr>
<th>FORM</th>
<th>DUE DATE</th>
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<tbody>
<tr>
<td>1095 (B or C) -- To Employees</td>
<td>March 2, 2020</td>
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<tr>
<td>1094 (B or C) AND Individual Forms 1095 -- To IRS if Filing by Paper</td>
<td>February 28, 2020</td>
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<tr>
<td>1094 (B or C) AND Individual Forms 1095 -- To IRS if Filing Electronically (Electronic Filing Required if filing &gt; 250 Forms 1095)</td>
<td>March 31, 2020</td>
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The IRS further stated they will not assess penalties to insurance carriers for failing to furnish a Form 1095-B to employees when the following 2 conditions are met:

- The insurance carrier must post a notice prominently on its website stating that employees may receive a copy of the 2019 Form 1095-B upon request, accompanied by an email address and a physical address to which a request may be sent, as well as a telephone number that employees can use to contact the carrier with any questions.
- The carrier must furnish a 2019 Form 1095-B to any employee upon request within 30 days of the date the request is received.

The rationale used by the IRS to provide this relief to the insurance carriers relates to the individual shared responsibility payment being reduced to zero in 2019. Note that this relief does not extend to Applicable Large Employers (ALEs); they are still required to furnish Forms 1095-C to full-time employees.

BACKGROUND

ALEs are those entities employing 50 or more full-time employees, including full-time equivalents, in the previous calendar year. ALEs are required to report whether Minimum Value, affordable coverage was offered to any person employed as on a full-time basis for at least one month during the year. The penalty
for failing to provide Forms 1095-C to employees is $270 per form. The penalty for failing to provide Forms 1095-C to the IRS it is $270 per form.

EFFECT ON INDIVIDUAL TAXPAYERS

As noted above, the individual shared responsibility payment is $0 for 2019 The Notice further confirms that individuals do not need to provide the IRS with a copy of Form 1095 when filing their individual tax returns; yet they should keep copies of the forms with their tax records.

Please contact your Oswald client team representative for further information.

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