

Coming soon (January 2016) and it affects you!

Get In(Form)ed: 1095-C

2016 Marks the First Year for Required Employer Annual Health Care Reporting to the Government

Starting in 2016, large employers, meaning employers with 50 or more full-time employees, are required to report information to the IRS about whether or not they offered full-time employees affordable health coverage and information about that coverage. Employers are required to submit:

- Form 1095-C to full-time employees
- Forms 1094-C and 1095-C to the IRS

This is the first year that the Affordable Care Act, or Obamacare, requires employers to send Form 1095-Cs to certain employees.

What is a Form 1095-C

The Affordable Care Act, or Obamacare, includes both the individual mandate and the employer mandate. The individual mandate requires that most Americans have qualifying healthcare coverage or potentially face a fine. The employer mandate requires employers with 50 or more full-time equivalent employees to offer healthcare coverage to their full-time employees or potentially face a fine. Much like the Form W-2 is used to determine whether or not you owe taxes, the IRS will use the information reported from your Form 1095-C to determine whether you (or your employer) may have to pay a fine for failing to comply with the Affordable Care Act.

The Form 1095-C contains information about your healthcare coverage that will be required when completing your tax return. Think of the form as your “proof of insurance” for the IRS.

If you or a family member enrolled in healthcare coverage at any time in 2015, you will receive a Form 1095 from the entity that provided the coverage. For example, if you were determined to be a full-time employee or were enrolled in coverage through your employer, you will receive a 1095-C from your employer.

What is the difference between a 1095-A, 1095-B, and 1095-C?

The forms are very similar. The main difference is who sends the form to you. The entity that provides you with health insurance will be responsible for sending a Form 1095.

- You will receive a 1095-A if you were covered by a federal or state marketplace (also called an exchange)
- You will receive a 1095-B if you were covered by other insurers such as small self-funded groups or employers who use the Small Business Health Options Program (SHOP)
- You will receive a 1095-C if you were covered by your employer

Who receives a Form 1095-C?

Applicable Large Employers (ALEs), or employers with 50 or more full-time equivalent employees, are required to send Form 1095-Cs to all full-time employees (those who work an average of 30 or more hours per week) as well as any employee who was enrolled in their health insurance plan. So if you were a full-time employee and/or were enrolled in health insurance through your employer at any time during 2015, you should receive a Form 1095-C.

Why did I get a Form 1095-C?

If you were a full-time employee working an average of 30 or more hours per week and/or were enrolled in health insurance through your employer at any time during 2015, you will receive a Form 1095-C. You'll need this form to complete your tax return for the 2015 tax year.

Why did I get more than one Form 1095-C?

If you worked at more than one company, you *may* receive a Form 1095-C from each company. For example, if you changed jobs in 2015 and were enrolled in coverage with both employers, you should receive a 1095-C from each employer. Or, if you work for an employer with different franchises or companies, you may receive a 1095-C from each company.

Why didn't I get a Form 1095-C?

If you were not full-time (working an average of 30 or more hours per week in any month) and were not enrolled in healthcare coverage through your employer at any time during 2015, you should not receive a Form 1095-C. You may also not receive a 1095-C if you were not the primary insured. For example, you should not receive a form if you were listed as a spouse or dependent under another family member's plan.

Will I be fined if I did not receive a Form 1095?

If you don't have qualifying health insurance, in some cases you can claim a healthcare coverage exemption. You can use the IRS Health Coverage Exemptions Form 8965 to find out if you qualify. Please visit www.irs.gov or www.healthcare.gov to learn more.

When will I get my Form 1095-C?

If you are eligible to receive a Form 1095-C, your employer is required to send your Form 1095-C for the 2015 tax year on or before February 1, 2016.

What should I do with my Form 1095-C?

You will use your Form 1095-C to complete your tax return. However, the IRS has not yet defined exactly what information from the 1095-C you will need to complete your taxes. If you were not eligible for receive a 1095-C, then you will not need one to complete your tax return.