

Anchin Compensation and Benefits Services Group

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Is Your Business Prepared for the New Affordable Care Act (ACA) Reporting Requirements? Your firm may be subject to new federal reporting requirements beginning January 1, 2016.

To our Clients and Friends:

Early in 2016, sponsors of self-insured plans, as well as insured plans that are deemed to be “Applicable Large Employers,” will be required to file Form 1095-C for the year 2015. The threshold to be deemed an Applicable Large Employer is 50 “full-time equivalent” (FTE) employees. Multiple part-time employees can be deemed one FTE.

If your firm is affected, now is the time to ensure that all of the following items will be available at reporting time:

- The number of FTE personnel employed during each calendar month of 2015.
- The name, address and social security number of each person employed during the calendar year and the months (if any) during which the employee was covered under the employer-sponsored plan.
- For each calendar month, FTE employees’ share of coverage, which must meet a “minimum value standard” of 60%, and an “affordability standard” of no more than 9.5% of household income.
- Certification from the employer that all FTE employees and their dependents were offered the opportunity to enroll in coverage, as well as the months during the year for which coverage was available.

In 2015, employers with 100 or more FTE employees must offer affordable health insurance that provides at least a minimum level of coverage to at least 70% of their FTE employees, or substantial penalties can apply. Requirements will become more stringent in 2016, when the amounts change to 50 employees and 95% coverage, respectively.

If the above requirements apply to your firm, we encourage you to contact your payroll provider or health care administrator to ensure that a plan is in place to compile and report the requisite data. You may also wish to verify with your health care administrator that your plan is in compliance with ACA.

ACA rules and reporting requirements are complex. If you require further information, please contact your Anchin Relationship Partner at 212.840.3456.

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