

Why Employers are Conducting Active Enrollments



Codes 6055 and 6056 of the Affordable Care Act require applicable large employers (ALEs) to report employee-specific information to the IRS about the health coverage offered to full-time employees and their dependent children.

What is the purpose?

The reporting requirements are the government's way of policing the ACA's employer mandate and individual mandate. Without the information reporting, the IRS would have no way to know which employers are not playing by the rules.

What information needs to be reported?

The following information must be reported on IRS Forms 1095-C and 1094-C:

- Total employee headcount per month
- Certification of minimum essential coverage offered to at least 70% of full-time employees (changes to 95% in 2016)
- Other employers within the ALE's control group
- An indication of coverage for all full-time employees
- Employees' and dependents' name, SSN, DOB, address
- Employee's share of the lowest monthly premium by month
- Covered dependents
- Affordability Safe Harbor indication by employee

When do employers need to comply?

An ALE must file Form 1094-C, referred to as the transmittal form, and Forms 1095-C, which are submitted on behalf of each employee, by February 28 (March 31 if filed electronically) following the applicable calendar year. The regulations require electronic filing for ALEs who file 250 or more Forms 1095-Cs during the calendar year.

Why should employers care about information reporting?

Employers who do not submit an annual IRS informational return or provide individual statements to each full-time employee may be subject to a penalty of up to \$100 per return, with a maximum annual penalty of \$1.5 million.

Are you prepared?

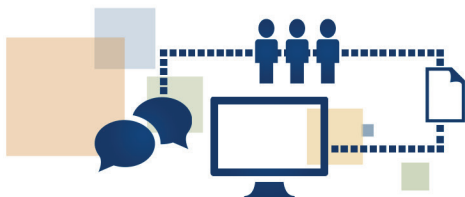
Existing HRIS/Payroll systems may not address these filing needs, and employers are looking for options. As an expert in managing active enrollments, BCI can help you collect the data needed to meet your ACA obligations for Forms 1095-C and 1094-C. Active enrollment is defined as requiring all benefit eligible employees to waive or elect medical coverage.

By conducting an active enrollment using our proprietary enrollment system, ElectBenefitsSM, you will have access to:

- Employee self service
- Counselor-assisted support
- Medical plan elections, including waiver confirmations
- Dependent SSNs
- Medical waiver reasons
- Confirmation statements for employees who do and do not elect coverage

Through our ACA reporting partners, we can provide:

- Monthly compliance communications as required by the IRS, DOL and HHS (45+ notifications)
- Monthly benefits eligibility tracking and reporting for variable hour employees
- Completion of Forms 1095-C and 1094-C submissions



Contact us today for more details on our enrollment platform and ACA tracking capabilities.
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