



Take  
Command

# ACA Reporting and ICHRA

January 11, 2023

[takecommandhealth.com](https://takecommandhealth.com)



# Disclaimer

- The information herein should not be construed as legal or tax advice in any way. Regulations, guidance and legal opinions continue to change.
- The preparers of the webinar have gathered public information and have attempted to present it in an easily readable and understandable format. Situations vary, technical corrections and future guidance may vary from what is presented in the presentation.
- This is meant for educational purposes and as informational content. Neither the preparers, presenters, or their company affiliations or sources referred to make any warranty of any kind concerning this information.
- You should seek the advice of your attorney or tax advisor for additional or specific information.



# Introduction



# Agenda & Presenters

**1** Introduction

**2** ACA Reporting (1094/1095) and ICHRA

**3** How Take Command Can Help

**4** Q&A



**Kyle Estep**

Vice President

Take Command Health



**Sarah Borders**

Co-Founder

Benefits Compliance Solutions



# Audience & Purpose

This presentation is intended for:

- Business owners
- HR & finance professionals
- Employee benefits brokers & consultants

If you have an:

✓ Individual Coverage HRA (ICHRA)

✗ Qualified Small Employer HRA (QSEHRA)

We are not licensed tax professionals.  
We are health insurance & compliance nerds.



# Background

Affordable  
Care Act



"Employer  
Mandate"



Annual  
"Employer  
Reporting"

"Employer Shared  
Responsibility Provisions"

It goes by many names...

Names you may hear:

- "Year End Reporting"
- "1095 Reporting"
- "ACA Reporting"

When ICHRA arrived, beginning in 2020, the IRS had to update reporting guidance for these program types. As an industry, we're all still pretty new at this.



# QSEHRA / ICHRA and ACA Reporting

Subject to employer mandate!

Qualified Small Employer HRA (QSEHRA)



No ACA Reporting.  
*But \$\$ amount offered through a QSEHRA must be reported on employees' Form W-2s*

Non-ALE offering Individual Coverage HRA (ICHRA)



Forms 1094/1095-B

ALE offering Individual Coverage HRA (ICHRA)



Forms 1094/1095-C



# ACA Reporting & ICHRA





# Topics



Which employers must report under § 6056?



Forms 1095-C



Transmittal Form 1094-C



Due Dates for Filing & Distribution



Best Practices for Employers



# Reporting Requirements under § 6056

- 6056 Reporting applies to Applicable Large Employers (ALEs).
- Must offer minimum essential coverage (MEC) to 95% of FT eligible employees and their dependent children.
- Must offer minimum value (MV), affordable coverage to FT employees.
- Or employer could be assessed penalty A or penalty B (Code § 4980H).
- Separate penalties for late or incorrect filings.
- Must distribute and file with IRS 1095-C and 1094-C forms.



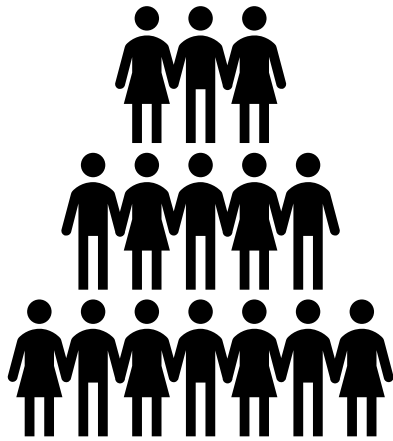
# Applicable Large Employers (ALEs)

## Which employers are ALEs?

- An employer who employed average of 50+ FT employees plus FT equivalents during prior calendar year
- FT employees = 120 hours of service/month
- FT equivalents are hours worked by PT employees
- Includes all entities in a control group (under Code § 414(b), (c), (m), or (o))



# Applicable Large Employers (ALEs)



Previous Year:  
50 or more FT EEs +  
FT Equivalents



ALE

Current Year:  
ALE for entire year

**1095-C** Employer-Provided Health Insurance Offer and Coverage  
 Form Department of the Treasury Internal Revenue Service  
 OMB No. 1545-0045  
 2018  
 VOID CORRECTED  
 Go to www.irs.gov/Form1095C for instructions and the latest information.

**Part I Employee** **Applicable Large Employer Member (Employer)**

1 Name of employee (first name, middle initial, last name) 2 Social security number (SSN) 7 Name of employer 8 Employer identification number (EIN)  
 3 Street address (including apartment no.) 9 Street address (including room or suite no.) 10 Contact telephone number  
 4 City or town 5 State or province 6 Country and ZIP or foreign postal code 11 City or town 12 State or province 13 Country and ZIP or foreign postal code

**Part II Employee Offer of Coverage** **Plan Start Month (enter 2-digit number):**

14 Offer of Coverage (enter required code)  
 15 Employee Required Contribution (see instructions)  
 16 Section 4980H Self-insured and Cost-sharing code, if applicable

At 12 months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec

**Part III Covered Individuals**

If Employer provided self-insured coverage, check the box and enter the information for each individual enrolled in coverage, including the employee.

17 18 19 ~	16 Name of covered individual(s)		16 SSN or other TIN (if SSN or other TIN is not available)	16 Covered all 12 months	16 Months of Coverage											
	First name, middle initial, last name				Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Following Year:  
1095/1094-Cs due Q1



# Applicable Large Employers (ALEs)

## Which employees are counted?

- FT employees: common-law EEs who work 120 hours or more per month.
- FT equivalents are hours worked by PT employees
- Does NOT include: EEs working outside U.S., leased employees, sole proprietors, partners in a partnership, 2% S-corp shareholders
- Seasonal worker special rule



# Applicable Large Employers (ALEs)

## Steps to calculate ALE status:

- Step 1: Add FT EEs for each calendar month during the prior calendar year
- Step 2: Add number of FT equivalents for each month in prior calendar year.  
Sum total hours of service/mo for PT EEs then divide by 120.
- Step 3: Add number of FT EEs + FT equivalents from Steps 1 & 2 for each month during prior calendar year
- Step 4: Add up each month's numbers from Step 3 and divide sum by 12  
(take yearly average)
- Step 5: If less than 50, not an ALE. If 50+, employer is an ALE.



# Applicable Large Employers (ALEs)

## What about Seasonal Workers?

- Seasonal workers must be counted for ALE determination
- Performs labor on a seasonal basis (not the same as a seasonal employee under ACA)
- But, Employers with 50+ FT employees can avoid ALE status if the workforce exceeds 50 FT employees for 120 or less days, and the employees in excess of 50 during the 120 day-period were seasonal workers.



# Reporting Requirements under § 6056

## Which Forms must ALEs use to Report?

### IRS Form 1095-C:

- Must be provided to each Full-Time Employee
- Must be filed with the IRS (electronic or paper) along with transmittal

### Transmittal Form 1094-C:

- Must be filed with the IRS (electronic or paper)
- Must be filed by each ALE member, or authoritative transmittal
- "C" forms used by ALEs only





# IRS Form 1095-C (Parts I & II)

Form **1095-C**  
Department of the Treasury  
Internal Revenue Service

## Employer-Provided Health Insurance Offer and Coverage

Do not attach to your tax return. Keep for your records.

VOID

OMB No. 1545-2251

CORRECTED

2022

Go to [www.irs.gov/Form1095C](http://www.irs.gov/Form1095C) for instructions and the latest information.

Part I Employee			Applicable Large Employer Member (Employer)				
1 Name of employee (first name, middle initial, last name)		2 Social security number (SSN)	7 Name of employer		8 Employer identification number (EIN)		
3 Street address (including apartment no.)			9 Street address (including room or suite no.)		10 Contact telephone number		
4 City or town	5 State or province	6 Country and ZIP or foreign postal code		11 City or town	12 State or province	13 Country and ZIP or foreign postal code	

Part II Employee Offer of Coverage	Employee's Age on January 1												
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)													
15 Employee Required Contribution (see instructions)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)													
17 ZIP Code													

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 60705M

Form **1095-C** (2022)



# IRS Form 1095-C (Parts I & II)

Form **1095-C**  
Department of the Treasury  
Internal Revenue Service

## Employer-Provided Health Insurance Offer and Coverage

Do not attach to your tax return. Keep for your records.

Go to [www.irs.gov/Form1095C](http://www.irs.gov/Form1095C) for instructions and the latest information.

VOID

CORRECTED

OMB No. 1545-2251

**2022**

Part I Employee						Applicable Large Employer Member (Employer)					
1 Name of employee (first name, middle initial, last name)			2 Social security number (SSN)			7 Name of employer			8 Employer identification number (EIN)		
3 Street address (including apartment no.)						9 Street address (including room or suite no.)			10 Contact telephone number		
4 City or town		5 State or province		6 Country and ZIP or foreign postal code		11 City or town		12 State or province		13 Country and ZIP or foreign postal code	

Part II Employee Offer of Coverage	Employee's Age on January 1							Plan Start Month (enter 2-digit number):					
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)													
15 Employee Required Contribution (see instructions)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)													
17 ZIP Code													

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 60705M

Form **1095-C** (2022)



# Individual Coverage HRA (ICHRA)

ACA 6056 Reporting

Form **1095-C**  
Department of the Treasury  
Internal Revenue Service

## Employer-Provided Health Insurance Offer and Coverage

Do not attach to your tax return. Keep for your records.  
Go to [www.irs.gov/Form1095C](http://www.irs.gov/Form1095C) for instructions and the latest information.

CORRECTED

2022

### Part I Employee

### Applicable Large Employer Member (Employer)

#### Part II—Employee Offer of Coverage

**Age.** If the employee was offered an individual coverage HRA, enter the employee's age on January 1, 2022. Note that for non-calendar year plans or for employees who become eligible during the plan year, this age may not be the Applicable age used to determine Employee Required Contribution.

**Plan Start Month.** This box is required for the 2022 Form 1095-C and the ALE Member may not leave it blank. To complete the box, enter the 2-digit number (01 through 12) indicating the calendar month during which the plan year begins of the health plan in which the employee is offered coverage (or would be offered coverage if the employee were eligible to participate in the plan). If more than one plan year could apply (for instance, if the ALE Member changes the plan year during the year), enter the earliest applicable month. If there is no health plan under which coverage is offered to the employee, enter "00."

2 Social security number (SSN)		7 Name of employer		8 Employer identification number (EIN)	
6 Country and ZIP or foreign postal code		9 Street address (including room or suite no.)		10 Contact telephone number	
11 City or town		12 State or province		13 Country and ZIP or foreign postal code	



Employee's Age on January 1		Plan Start Month (enter 2-digit number):								
Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	

Safe Harbor and Other Relief (enter code, if applicable)

17 ZIP Code



# IRS Form 1095-C (Parts I & II)

What must be entered  
on Lines 14-16?

Line 14: Code Series 1  
(Offer of coverage)

Line 15: Dollar amount of lowest-cost plan for self-only coverage

Line 16: Code Series 2  
(Safe harbors)



# Individual Coverage HRA (ICHRA)

ACA 6056 Reporting

Form **1095-C**  
Department of the Treasury  
Internal Revenue Service

## Employer-Provided Health Insurance Offer and Coverage

Do not attach to your tax return. Keep for your records.  
Go to [www.irs.gov/Form1095C](http://www.irs.gov/Form1095C) for instructions and the latest information.

CORRECTED

2022

Part I Employee				Applicable Large Employer Member (Employer)			
1 Name of employee (first name, middle initial, last name)		2 Social security number (SSN)		7 Name of employer		8 Employer identification number (EIN)	
3 Street address (including apartment no.)				9 Street address (including room or suite no.)		10 Contact telephone number	
4 City or town	5 State or province	6 Country and ZIP or foreign postal code		11 City or town	12 State or province	13 Country and ZIP or foreign postal code	

Part II Employee Offer of Coverage	Employee's Age on January 1							Plan Start Month (enter 2-digit number):					
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)													
15 Employee Required Contribution (see instructions)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)													
17 ZIP Code													







# Individual Coverage HRA (ICHRA)

ACA 6056 Reporting

*Applicable Large Employers (ALEs) offering ICHRA must use Codes 1L-1U under Line 14 of Each Employee's 1095-C:*

- **1L.** Individual coverage HRA offered to employee only with affordability determined by using employee's primary residence location ZIP code.
- **1M.** Individual coverage HRA offered to employee and dependent(s) (not spouse) with affordability determined by using employee's primary residence location ZIP code.
- **1N.** Individual coverage HRA offered to employee, spouse, and dependent(s) with affordability determined by using employee's primary residence location ZIP code.
- **1O.** Individual coverage HRA offered to employees only using the employee's primary employment site ZIP code affordability safe harbor.
- **1P.** Individual coverage HRA offered to employee and dependent(s) (not spouse) using the employee's primary employment site ZIP code affordability safe harbor.
- **1Q.** Individual coverage HRA offered to employee, spouse, and dependent(s) using employee's primary employment site ZIP code affordability safe harbor.
- **1R.** Individual coverage HRA that is NOT affordable offered to employee; employee and spouse, or dependent(s); or employee, spouse, and dependents.
- **1S.** Individual coverage HRA offered to an individual who was not a full-time employee.
- **1T.** Individual coverage HRA offered to employee and spouse (not dependents) with affordability determined using employee's primary residence location ZIP code.
- **1U.** Individual coverage HRA offered to employee and spouse (not dependents) using employee's primary employment site ZIP code affordability safe harbor.
- **1V.** Reserved for future use.



# Individual Coverage HRA (ICHRA)

ACA 6056 Reporting

**Line 15.** Complete line 15 only if code 1B, 1C, 1D, 1E, 1J, 1K, 1L, 1M, 1N, 1O, 1P, 1Q, 1T, or 1U is entered on line 14 either the "All 12 Months" box or in any of the monthly boxes. Enter the amount of the Employee Required Contribution, which is, generally, the employee share of the monthly cost for the lowest-cost, self-only, minimum essential coverage providing minimum value that is offered to the employee. For additional details on how to determine the Employee Required Contribution, including how to determine the Employee Required Contribution for the individual coverage HRA, see the [Definitions](#) section, later. Enter the amount, including any cents. If the employee is offered coverage but the Employee Required Contribution is zero, enter "0.00" (do not leave blank). If the

Form **1095-C**  
Department of the Treasury  
Internal Revenue Service

**Part I Employee**

1 Name of employee (first name, middle initial, last name)  
2 Street address (including apartment no.)  
3 City or town 4 State or province

**Part II Employee Offer of Coverage**

14 Offer of Coverage (enter required code)

15 Employee Required Contribution (see instructions)

16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)

17 ZIP Code

**2022**

**Employee Offer of Coverage**

	Month (enter 2-digit number):												
	All 12 Months	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)													
15 Employee Required Contribution (see instructions)	\$								\$	\$	\$	\$	\$
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)													
17 ZIP Code													

**LCSP (EE Only) – Allowance (EE Only)**



# Individual Coverage HRA (ICHRA)

ACA 6056 Reporting

Form **1095-C**  
Department of the Treasury  
Internal Revenue Service

### Part I Employee

1 Name of employee (first name, middle initial, last name)  
 3 Street address (including apartment no.)  
 4 City or town 5 State or province

### Part II Employee Offer of Coverage

	All 12 Months	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)													
15 Employee Required Contribution (see instructions)	\$	\$							\$	\$	\$	\$	
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)													
17 ZIP Code													

*Line 16:*

*If employee enrolled in ICHRA, code is 2C.*

*If employee waived ICHRA, employer must enter one safe harbor code (2F, 2G or 2H).*

CORRECTED

2022

### Employer Member (Employer)

8 Employer identification number (EIN)  
 10 Contact telephone number  
 13 Country and ZIP or foreign postal code

### Plan Start Month (enter 2-digit number):

Aug	Sept	Oct	Nov	Dec
\$	\$	\$	\$	\$







# Individual Coverage HRA (ICHRA)

ACA 6056 Reporting

Form **10427**  
Department of Internal Revenue

**Part I**

**Line 17.** If the ALE Member used **code 1L, 1M, 1N, 1O, 1P, 1Q, 1T, or 1U** because it offered the employee an **individual coverage HRA**, enter the appropriate ZIP code used for identifying the lowest cost silver plan used to calculate the Employee Required Contribution in line 15. This will be the ZIP code of the **employee's residence** (code 1L, 1M, 1N, or 1T) or the ZIP code of the employee's **primary site of employment** if the ALE Member uses the work location safe harbor (code 1O, 1P, 1Q, or 1U).

**Part II**

**Location safe harbor for individual coverage HRAs.** For purposes of section 4980H(b), an **employer may use the cost of self-only coverage for the lowest cost silver plan for the employee for self-only coverage offered through the Exchange where the employee's primary site of employment is located** for determining whether an offer of an individual coverage HRA to a full-time employee is affordable. The ZIP code for the employee's primary site of employment is used to identify the applicable lowest cost silver plan to determine affordability.

<b>14</b> Offer of Coverage (enter required code)													
<b>15</b> Employee Required Contribution (see instructions)													\$
<b>16</b> Section 4980H Safe Harbor and Other Relief (enter code, if applicable)													
<b>17</b> ZIP Code													

**22**





# IRS Form 1095-C (Part III)

Form 1095-C (2021)

## Part III Covered Individuals

If Employer provided self-insured coverage, check the box and enter the information for each individual enrolled in coverage, including the employee.

	(a) Name of covered individual(s) First name, middle initial, last name	(b) SSN or other TIN	(c) DOB (if SSN or other TIN is not available)	(d) Covered all 12 months	(e) Months of coverage												
					Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
18				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Only Complete Part III if ALE has a Self-Insured Medical Plan



# Individual Coverage HRA (ICHRA)

ACA 6056 Reporting

### Part III Covered Individuals

If Employer provided self-insured coverage, check the box and enter the information for each individual enrolled in coverage, including the employee.

	(a) Name of covered individual(s) First name, middle initial, last name	(b) SSN or other TIN	(c) DOB (if SSN or other TIN is not available)	(d) Covered all 12 months	(e) Months of coverage												
					Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
18				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Part III—Covered Individuals (Lines 18–30)**  
**Note.** If there are more than 13 covered individuals, additional copies of page 3, Part III, may be used.  
 Complete Part III ONLY if the ALE Member offers employer-sponsored, self-insured health coverage, including an individual coverage HRA, in which the employee or other individual enrolled. For this purpose, employer-sponsored,



# IRS Form 1094-C (Transmittal Form)

Form 1094-C (2021)

Page 3

## Part IV Other ALE Members of Aggregated ALE Group

Enter the names and EINs of Other ALE Members of the Aggregated ALE Group (who were members at any time during the calendar year).

Name	EIN	Name	EIN
36		51	
37		52	
38		53	
39		54	
40		55	
41		56	
42		57	



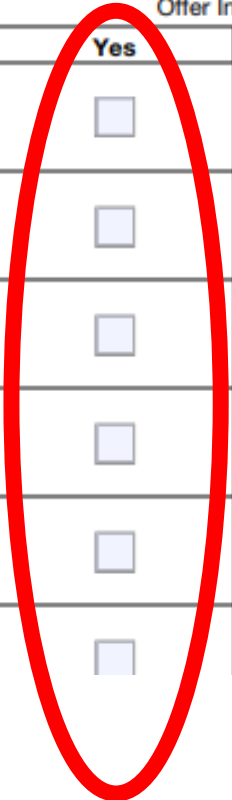
# IRS Form 1094-C (Transmittal Form)

Form 1094-C (2021)

Page 2

## Part III ALE Member Information – Monthly

	(a) Minimum Essential Coverage Offer Indicator		(b) Section 4980H Full-Time Employee Count for ALE Member	(c) Total Employee Count for ALE Member	(d) Aggregated Group Indicator	(e) Reserved
	Yes	No				
23	All 12 Months	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	
24	Jan	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	
25	Feb	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	
26	Mar	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	
27	Apr	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	
28	May	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	





# Reporting Requirements under § 6055

- 6055 Reporting applies to Insurers and *Non-ALEs* with self-insured coverage
- Self-insured includes a “level-funded” or “partially self-insured” medical plan
- Does not apply to small employers with fully-insured coverage
- No employer mandate penalties, but could face penalties for incorrect or late returns
- Must distribute and file IRS 1095-B and 1094-B forms



# IRS Form 1095-B (For non-ALEs)

Form **1095-B**

Department of the Treasury  
Internal Revenue Service

## Health Coverage

Do not attach to your tax return. Keep for your records.

Go to [www.irs.gov/Form1095B](http://www.irs.gov/Form1095B) for instructions and the latest information.

VOID

CORRECTED

OMB No. 1545-2252

**2022**

### Part I Responsible Individual

1 Name of responsible individual—First name, middle name, last name		2 Social security number (SSN) or other TIN	3 Date of birth (if SSN or other TIN is not available)
4 Street address (including apartment no.)	5 City or town	6 State or province	7 Country and ZIP or foreign postal code
8 Enter letter identifying Origin of the Health Coverage (see instructions for codes): . . . . . <b>G</b>		9 Reserved	

### Part II Information About Certain Employer-Sponsored Coverage (see instructions)

10 Employer name
12 Street address (including room or suite no.)
13 City or town

Eligible employer-sponsored plans are minimum essential coverage and include the following.

1. Group health insurance coverage for employees under the following.
  - a. A governmental plan, such as the Federal Employees Health Benefits program.
  - b. An insured plan or coverage offered in the small or large group market within a state.
  - c. A grandfathered health plan offered in a group market.
2. A self-insured group health plan for employees. Generally, an HRA, including an individual coverage HRA, is a self-insured group health plan.

### Part III Issuer or Other Coverage Provider (see instructions)

16 Name
19 Street address (including room or suite no.)
20 City or town

### Part IV Covered Individuals (Enter the information for each individual)

	(a) Name of covered individual(s) First name, middle initial, last name	(b) SSN or other TIN	(c) TIN is not available	all 12 months	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



# IRS Form 1094-B (Transmittal for non-ALEs)

Form **1094-B**

Department of the Treasury  
Internal Revenue Service

## Transmittal of Health Coverage Information Returns

Go to [www.irs.gov/Form1094B](http://www.irs.gov/Form1094B) for instructions and the latest information.

OMB No. 1545-2252

**2022**

<b>1</b> Filer's name		<b>2</b> Employer identification number (EIN)
<b>3</b> Name of person to contact		<b>4</b> Contact telephone number
<b>5</b> Street address (including room or suite no.)	<b>6</b> City or town	
<b>7</b> State or province	<b>8</b> Country and ZIP or foreign postal code	
<b>9</b> Total number of Forms 1095-B submitted with this transmittal . . . . .		

**For Official Use Only**  
□ □ □ □ □ □ □ □ □ □

Under penalties of perjury, I declare that I have examined this return and accompanying documents, and to the best of my knowledge and belief, they are true, correct, and complete.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date





# Due Dates for § 6056 reporting

## When must forms be filed & distributed?

IRS Form	Given to Employees	Filed with the IRS
1095-C 1095-B	Jan 31 <sup>st</sup> plus 30 days (March 2, 2023)	Feb 28 <sup>th</sup> (paper) March 31 <sup>st</sup> (electronic)
1094-C 1094-B	N/A	Feb 28 <sup>th</sup> (paper) March 31 <sup>st</sup> (electronic)



# 6056 Reporting for ALEs: Best Practices

- Determine if employer (including related companies) is an Applicable Large Employer
- If an ALE, make preparations in advance for populating Forms 1094-C and 1095-C for each employee.
- Decide if forms will be completed by a qualified vendor, payroll company or in house by the employer.
- Decide how forms will be distributed to employees and if forms will be submitted electronically or by paper to the IRS.
- Review information populated in each 1095-C, paying special attention to Lines 14-16 for correct codes usage. Self-funded ALEs must also complete Part III.
- Review 1094-C, focusing on Lines 19-21 and Part III for correct data.
- Distribute to employees and submit filings to the IRS by assigned due dates.



# 6055 Reporting for Non-ALEs: Best Practices

- Determine if employer (including related companies) is or is not an Applicable Large Employer
- If an NOT an ALE but has a self-insured medical plan or ICHRA, make preparations in advance for populating Forms 1094-B and 1095-B for each employee.
- Decide if forms will be completed by a qualified vendor, payroll company or in house by the employer.
- Decide how forms will be distributed to employees and if forms will be submitted electronically or by paper to the IRS.
- Review information populated in each 1095-B for each enrolled employee, spouse or dependent.
- Review 1094-B for correct data.
- Distribute to employees and submit filings to the IRS by assigned due dates.



# How Take Command Can Help





# How Take Command Can Help?

Will Take Command complete and file these forms for us?

**No.** Take Command is not licensed to help our clients complete, file and distribute 1094 / 1095 forms.

What will Take Command provide?

**Data!** Take Command will load a CSV data file in the administrator portal that includes important information.





# Employee Required Contribution on Line 15

For ICHRA, calculating the monthly "Employee Required Contribution" for Line 15 is a bit more complex than with a traditional group health plan

**Why??** Health insurance premiums in the individual market vary by geography and age

The simple formula for calculating the amount to enter on Line 15:

$$\text{Employee Required Contribution} = \text{LCSP Premium} - \text{ICHRA Allowance}$$

LCSP = Lowest-cost silver plan an employee could purchase on the marketplace

ICHRA Allowance = Amount of \$\$ employer offering per month via ICHRA program





# Employee Required Contribution on Line 15

Example:

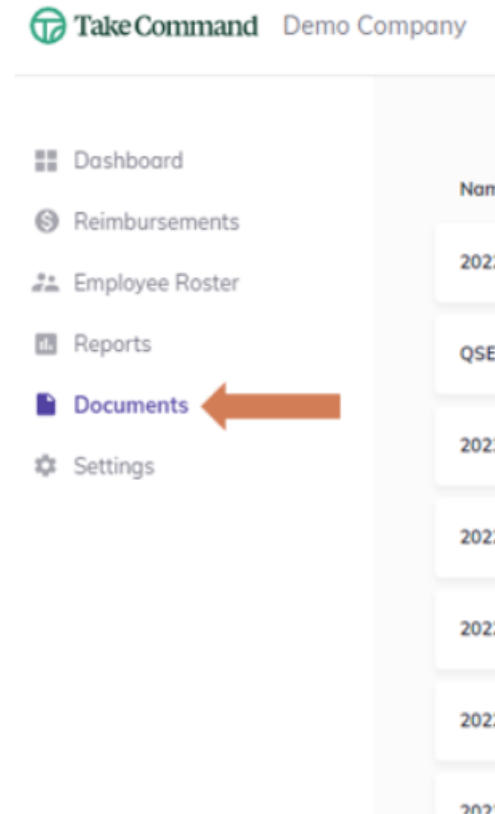
- John works for Acme, an ALE per IRS definition
- John receives an ICHRA offer of \$500 / month
- John is 40 years old and based on where he lives, the premium for the lowest-cost silver plan (LCSP) available on the marketplace is \$650 / month
- John receives a 1095-C from Acme at the end of the year with \$150 / month on Line 15
  - LCSP = \$650
  - ICHRA Allowance = \$500 (i.e., employer's contribution)
  - Employee Required Contribution = \$650 - \$500 = \$150

*Note: For IRS reporting purposes, it does not matter what health insurance plan John actually enrolled in and / or the actual premium \$\$ amount. All that matters for affordability purposes is the premium of the LCSP.*



# The 2022 Plan Year Data File

- CSV data file for 2022 plan year to be uploaded into portals week ending Friday 1/20
- A guidance document will also be made available



CSV file will be in the 'Documents' section of the admin portal



# Need Help?

Can Take Command recommend a vendor to help?

**Yes!** ETC specializes in helping employers complete ACA reporting.

## How can ETC help you with your IRS Reporting?

ETC will:

1. Gather your legal company information for IRS setup.
2. Collect an Employment Roster with pertinent data.
3. Process ICHRA medical benefit enrollment information from Take Command.
4. Collect and analyze information on those that waive insurance.
5. Print & Mail forms to employees and electronically file with the IRS

Compliance – Check!



in partnership with





Q&A