



1 FAQ's

The following is a list of questions intended to provide general information about ACA filing with AUC. This is not intended to provide legal advice. For answers pertaining to your organization's specific compliance, please consult your benefits administrator and/or legal counsel.

? What is the definition of affordable coverage?

Affordable means that the employee's required contribution for self-only coverage does not exceed 9.5 percent of the employee's income from the employer.

Employers whose plan year begins after July 1, 2022 can use the 2022 FPL when calculating the safe harbor.

2021	$\$12,880 * 9.5\% / 12 \text{ months} =$	\$101.97
2022	$\$13,590 * 9.5\% / 12 \text{ months} =$	\$107.59

? To whom do you give forms?

Provide 1095Cs to benefit-eligible employees whether they have chosen coverage or not to demonstrate that you have offered coverage to your employees, but some may have declined coverage.

Non-employees (e.g., COBRA recipients, elected officials, etc.,) can be covered on your benefit plan and as such they must receive a 1095 form. See HR- 775 ACA and Non-Employee Participants in the Help Reference Library.

? What if a married couple works for the Town? Suppose spouse #1 is the subscriber and spouse #2 is covered under Spouse #1's plan. What do I enter?

List Spouse #1 as having been offered coverage, with spouse #2 listed as a covered individual on spouse #1's employee record. On spouse #2's employee record, indicate that they "declined" coverage.

? How is a full-time employee calculated?

Total # of hours worked by non-FT employees in month / 120 hours = # of full-time equivalents

? What about non-calendar year plans?

For completion of these forms, there are references to all 12 calendar months. If an employer is a non-calendar plan with an April 1st renewal date, how would it mark the boxes for January through March?

Forms 1094C and 1095C track information on a calendar year basis, regardless of an employer's plan year. This means that, for employers with a non-calendar year plan, the information reported on the forms will cross plan



years. In the example above, the information for January through March would reflect information from the employer’s previous plan year.

? Would we report for an employee who only has family dental or vision coverage and not medical?

While stand-alone dental and vision plans are not reported, frequently an offer of medical coverage was given. Even if the employee waives coverage, if they are full-time and are offered coverage, the employer will need to provide both Form 1094-C and 1095-C. The premise of this form is to document that an offer was made.

? If an employee misses the deadline for the initial enrollment period, are we required to allow them to sign up after the deadline has passed?

Generally no; the employee is given a set timeframe to enroll, as outlined in your plan materials. Once this date has passed, this can be treated as waiving coverage.

? Only self-funded employers are required to capture spouse and dependent information, correct?

Yes, only self-funded employers will be required to enter demographic information regarding covered individuals on Form 1095-C.

? If an employee waives coverage, would he or she receive a Form 1095-C?

Yes, a full-time employee who waives coverage would still receive Form 1095-C.

? If an employer submits a Form 1095-C with a mistake, how can it be corrected?

If correcting information on a Form 1095-C that was previously filed with the IRS, file a fully completed Form 1095-C including the correct information and enter an “X” in the CORRECTED checkbox. File a Form 1094-C (Do not mark the CORRECTED checkbox on Form 1094-C) with corrected Form(s) 1095-C. Furnish the employee a copy of the corrected Form 1095-C **Note. Enter an “X” in the CORRECTED checkbox only when correcting a Form 1095-C previously filed with the IRS.** If you are correcting a Form 1095-C that was previously furnished to a recipient, but not filed with the IRS, write, type or print CORRECTED on the new Form 1095-C furnished to the recipient.

? How should we report employees that we consider part-time but who work more than 30 hours a week with a fluctuating schedule?

While you may consider these individuals part-time, they are considered full-time employees for reporting purposes if they regularly work 30 hours per week or more. If they meet the requirements to be considered full-time based on their average hours of service, provide a Form 1095-C.



? Is COBRA included in an “offer of coverage”? Does the 60-day election period post-termination count as months of coverage offered?

The employer reports for each month the employee was “offered” coverage. If the employee terminated midmonth before the end of the calendar year, report the offer for the whole month in which the separation occurred under § 6056.

Source: [Instructions for Forms 1094-C and 1095-C \(2022\) | Internal Revenue Service \(irs.gov\)](#).

? Do fully insured plans need to report COBRA participants?

The employer reports for each month the employee was offered coverage. If the employee is terminated mid-month before the end of the calendar year, report the offer for the whole month in which the separation occurred under § 6056. However, after the separation, the reporting on Form 1095-C ceases.

? Under what circumstances would an employer not offer coverage for an entire month?

These circumstances are based on the eligibility requirements of the group health plan. Some group health plans are established with eligibility on the date of hire. Similarly, some plans terminate at the time of termination and not the last day of the month.

? Does line 15 reflect what the employee is offered (whether enrolled or not)? Or does it reflect the actual cost of what the employee is enrolled in?

The amount in line 15 should reflect the employee cost of the lowest cost self-only, minimum essential, minimum value coverage offered to the employee. The amount of the plan that the employee is enrolled in is irrelevant for this purpose.

? What is the difference between lines 14 and 16 and must they both be completed for an employee?

The primary difference between lines 14 and 16 is that line 14 indicates coverage that was offered, while line 16 indicates coverage that was enrolled in.

? Is dependent information needed if the employee does not elect dependent coverage in our plans?

Part III is only completed by self-funded employers, and the employers in these cases are only obligated to report those who are enrolled in the self-funded plan. Source: [Instructions for Forms 1094-C and 1095-C \(2022\) | Internal Revenue Service \(irs.gov\)](#)



? What if an employee has dependents who are not U.S. citizens and therefore do not have a Social Security number (SSN)?

The IRS requires that the taxpayer identification number (TIN), which is usually the SSN, be used to identify individuals on the reports. The rules require that employers and insurers make reasonable efforts to obtain the SSN. If the SSN/TIN is not available, employers sponsoring self-funded plans and insurers use date of birth to help the IRS confirm identity.

? Are we required to collect dependent information for employees that refused coverage?

No.