

Affordable Care Act Reporting FAQ's

The Affordable Care Act, also known informally as “Obamacare”, includes both an individual mandate and an employer mandate. The individual mandate requires that most Americans have qualifying healthcare coverage, or they 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.

Q: I understand that I may receive a new health care tax statement from my employer to help me prepare my individual income tax return. What is it?

A. If you worked for an Applicable Large Employer (ALE), which is defined as an employer with more than 50 full-time employees, who meet the government’s definition of a full-time employee, you will receive:

- Form 1095-C, Employer-Provided Health Insurance Offer and Coverage. It shows whether your employer offered health insurance coverage to you, and for how long.

You will also receive one or more of the following forms which will provide details about any health insurance coverage you had in 2015:

- IRS Form 1095-B from the health insurance carrier, such as Anthem or Optima, because Jefferson Lab health insurance plans are fully insured.

Q: How will the Form 1095 impact my taxes?

A. If you were employed and enrolled in health care coverage from your employer at any point in 2015, you will need to retain a copy of the 1095-C tax form for your records only. **You will not have to wait to receive your 1095-C to complete your 2015 tax return.** The deadline to deliver the 1095-C to employees is March 31, 2016. Individuals who wish to file taxes before they receive their 1095-C and who already know their insurance status through the entire 2015 calendar year will be able to file.

Q: What is a Form 1095-B?

A: IRS Form 1095-B details the months of health care coverage that you, your spouse and/or any eligible dependents had in 2015. Form 1095-B is sent by your health insurance carrier (Anthem or Optima) and provides details about the health insurance coverage you elected, including who in your family was covered.

Q: What is a Form 1095-C?

A: 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. Think of the form as your “proof of insurance” for the IRS.

If you or a family member were offered healthcare coverage or were enrolled in healthcare coverage at any time in 2015, you will receive a Form 1095 from the employer no later than **March 31, 2016**, 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.

Q: Why did I get a Form 1095-C?

A: 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 will not need this form to complete your tax return for the 2015 tax year, but you should retain a copy the form for your records.

Q: What information is on the Form 1095-C?

A: There are three parts to the form:

- “Employee” and “Employer” sections report information about you and your employer.
- “Employee Offer and Coverage” section reports information about the coverage offered to you by your employer, the affordability of the coverage offered, and the reason why you were or were not offered coverage by your employer.
- “Covered Individuals” section reports information about the individuals (including dependents) covered under your self-insured plan.

Q: When will I get my Form 1095-C?

A: 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 March 31, 2016.

Q: What should I do with my Form 1095-C?

A: For 2015 you should keep your 1095-C with your tax documents. You will not have to submit it with your tax return for 2015, but the IRS may require it if you are audited.

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

A: If you worked at more than one ALE, you may receive a Form 1095-C from each employer. For example, if you changed jobs in 2015 and were offered or enrolled in health coverage with both employers, you should receive a 1095-C from each employer.

Q: Why was Part 3 of my 1095-C left blank?

A: Jefferson Lab employees are covered through a fully-insured plan, so Part 3 will be blank. If you were enrolled in a JLab insurance plan at any time throughout the year, your insurance provider (Anthem or Optima) will also provide a 1095-B form with information about all covered individuals.

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

A: 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 form from your company if they are not an ALE. 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.

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

A: 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 <http://www.irs.gov> or www.healthcare.gov to learn more.

Q: *How will I receive these forms?*

A: All 1095-C forms will be mailed directly to your current address on file by Jefferson Lab, if you qualify.

Income Tax Filing

Q: *Should I wait for the form to prepare my income tax return?*

A: In most cases, you do not need to wait for the Form 1095-C in order to file your U.S. Individual Income Tax Return (IRS Form 1040, 1040A, or 1040EZ). Most employees will know whether they had health coverage for a month and can simply check a box on their tax return to attest that they, their spouse (if filing jointly), and any eligible dependents had "minimum essential coverage," minimum standards set by the ACA, throughout the year.

Q: *Do I need to attach Forms 1095-B or 1095-C to my federal tax return?*

A: No, you do not need to submit these forms with your tax return this year. However, you may need to refer to them in order to complete your tax return under special circumstances such as applying for an advanced premium tax credit or wish to take the premium tax credit on your return or you had a gap in coverage of more than three consecutive months.

Q: *Under what circumstances would I need the information on Form 1095-C to file my U.S. Individual Income Tax Return?*

A: Only if you received an advance premium tax credit or wish to take the premium tax credit on your return or you had a gap in coverage of more than three consecutive months.

For More Information...

Q: *Who do I contact if I have a question about the form that I receive?*

A: Each form should have a contact number if you have questions. For any specific questions about your health care coverage with Jefferson Lab, please contact Treva Ferguson at x7291.