

EMPLOYEE BENEFITS ALERT

NEW HEALTHCARE REPORTING REQUIREMENTS REQUIRE MONTHLY TRACKING IN 2015

Many employers must track information on a monthly basis in 2015 in order to comply with the new Affordable Care Act (“ACA”) healthcare reporting requirements. The information required to be tracked and reported depends on the size of the employer and what type of healthcare coverage, if any, the employer provides to its employees.

Small employers with less than 50 full-time and full-time equivalent employees (as determined under the employer shared responsibility rules) are generally not subject to the healthcare reporting requirements. The exception is, if a small employer self-insures its healthcare coverage, it must track and report on each employee and any dependents that were enrolled in the healthcare coverage on a monthly basis.

Large employers with over 50 full-time and full-time equivalent employees must track and report whether each full-time employee and his or her dependents were offered healthcare coverage that is affordable and provides minimum value (also as determined under the employer shared responsibility rules) for each month in the year. In addition, if a large employer offers self-insured health coverage, the employer must track and report on each employee and any dependents that were enrolled in the healthcare coverage on a monthly basis.

Many employers will also need to track and report on the number of full-time employees per month, total employees per month, and the premium amount an employee would need to pay per month for self-only coverage.

There are some simplified reporting options that may allow employers to forego reporting on premium amounts and/or full-time employees status. For example, employers that offer affordable, minimum value coverage to 98% of reportable employees will be able to report without identifying which employees are full-time.

Reports must be provided to both the IRS and the employees early in 2016. The IRS allowed for optional reporting this year, and the IRS has very recently released the final forms and instructions that may be used for such optional reporting. It’s not clear whether these forms and instructions will be revised at all for 2016 reporting.

The IRS also released a summary of the monthly tracking requirements for large employers, which you may find at: <http://www.irs.gov/pub/irs-pdf/p5196.pdf>

*The Employee Benefits Alert is intended to keep readers current on matters affecting employee benefits and is not intended to be legal advice. If you have any questions about this alert please contact **Heather Stone Fletcher** at 412.566.6112, or any member of the Employee Benefits and Executive Compensation Group.*