

Reporting Requirements - 6055

Summary

On March 10, 2014, the U.S. Department of the Treasury and IRS published final rules to implement the information reporting provisions for insurers and certain employers under the Affordable Care Act (ACA) that became effective in 2015. This snapshot summarizes the section 6055 reporting requirements.

Section 6055 reporting supports the individual mandate. It is the required reporting to the IRS of information relating to covered individuals that have been provided MEC by health insurance issuers (issuers), certain employers, and other entities that provide MEC. A statement disclosing MEC information must also be furnished to responsible individuals (i.e., subscriber).

For fully insured health plans, UnitedHealthcare, as an issuer that provides MEC, is required to submit section 6055 reports to the IRS and furnish Form 1095-B to subscribers. Employers with self-funded group health plans must submit reports to the IRS and furnish statements to covered subscribers who receive MEC. The subscriber statements must provide the months an individual was enrolled in coverage and entitled to receive benefits (for at least one day).

The IRS requires self-funded applicable large employers (ALEs), generally those with 50 or more full-time employees and full-time equivalents and subject to the employer mandate to combine their reporting on Form 1095-C for both sections 6055 and 6056 reporting (section 6056 reporting supports the employer mandate).

Section 6055 requires the name, address, and Social Security numbers (SSNs) for all covered individuals (including spouses and dependents) be reported to the IRS. The report must also include the months for which the individual was enrolled in coverage for at least one day. In the case of employer-sponsored coverage, an issuer must also report the name, address and Employer Identification Number (EIN) of the plan sponsor, whether the coverage is through the Small Business Health Options Program (SHOP) and any other information required by the IRS.

All of the above information must be included on the statement furnished to individuals, as well as the name, address and contact information for the reporting entity (i.e., the health insurer).

Reporting begins in 2016 for the 2015 calendar year. Statements must be furnished to individuals with a postmark date no later than January 31, 2016. However, for the first year of reporting, the IRS has automatically extended the deadline to March 31, 2016.

Reports are due to the IRS by February 28, 2016, or March 31, 2016 (if filed electronically). However, for the first year of reporting, the IRS has automatically extended the deadline to May 31, 2016 or if filed electronically, by June 30, 2016. Groups that file 250 or more returns are required to file electronically.

Statements may be furnished electronically so long as the employee affirmatively consents to receive the statement in electronic form. General consent to receive plan information electronically is not sufficient. The employee must be able to withdraw the consent and obtain a hard copy of the statement, as well as be informed about changes in the technology being used to furnish the statement.