

IRS REPORTING DATA SUMMARY

Basic Requirements

- Submit data to TASC by the 5th day of each month. **The final file for the calendar year must be submitted by December 15th so TASC can meet filing deadlines.**
- All data field names on data submitted must be presented exactly as in the data specifications.
- Historical Data: New Clients must submit data for every month of the calendar year in which you become a new TASC ACA employer reporting Client. If you submit the TASC Purchaser Details after December 15, then begin reporting the next calendar year's data.

Which Employees are Reported

Full-time employees: An ALE must file IRS Form 1095-C for each FTE for each month of the calendar year. You will report FTEs to TASC on a monthly basis.

Self-insured rule: In addition, an ALE member who sponsors a self-insured health plan must file IRS Form 1095-C for all **covered** employees and **covered** family members, regardless of whether the employee is an FTE for any month of the calendar year.

The statute defines an FTE as one whom, with respect to any month, works at least 30 hours per week (130 hours of service in a calendar month is treated as the monthly equivalent of at least 30 hours of service per week).

Note: An "employee" is defined under the common-law standard, the same standard used in determining whether someone is a consultant.

The employer-employee relationship exists when the person for whom services are performed has the right to control and direct the individual who performs the services, not only regarding the result to be accomplished by the work but also the details and means by which that result is accomplished. That is, an employee is subject to the will and control of the employer not only regarding what shall be done but how it shall be done as well. In this connection, the employer need not actually direct or control the manner in which the services are performed; it is sufficient if he/she has the right to do so. The right to discharge is also an important factor indicating that the person possessing that right is an employer. Other factors characteristic of an employer, but not necessarily present in every case, are the furnishing of tools and the furnishing of a place to work to the individual who performs the services. In general, an individual is not an employee if he/she is subject to the control or direction of another merely as to the result to be accomplished by the work and not as to the means and methods for accomplishing the result.

Some examples of persons not considered employees: leased employee, a sole proprietor, a partner in a partnership, and a 2% S corporation shareholder. Employees who work outside the U.S. are excluded. Typically, all persons who receive a Form W-2 are employees.

Special Unpaid Leave: When your FTE is on special unpaid leave the time is counted towards the employee's hours of service. There are special rules for determining the "average hours" for tracking purposes. For this purpose, count any month in which an employee was out on special unpaid leave as a full-time month.

Special Unpaid Leave means:

1. Unpaid leave that is subject to the Family & Medical Leave Act of 1993 (FMLA), Public Law 103-3, 29 U.S.C. 2601 et seq.;
2. Unpaid leave that is subject to the Uniformed Services Employment & Reemployment Rights Act of 1994 (USERRA), Public Law 103-353, 38 U.S.C. 4301 et seq.; or
3. Unpaid leave on account of jury duty.

Demographic Data Field

Many fields are self-explanatory and not detailed in this Summary (such as but not limited to names, addresses, and EIN numbers).

Submitting Data to TASC

Submit data to TASC via file upload at www.tasconline.com. Clients are provided a 12-digit ID and log in, or continue to use existing log in, to select MyDocuments and upload the appropriate file. The Electronic Data Interchange (EDI) team will initialize this process with you and test your files prior to production.

The Monthly Data File

Data items, other than demographics, are defined below in the same order as in the data specifications.

Various technical terms and codes must be understood in order to report. For each month, your IRS filing must show that coverage has been offered, or that the offer is excused (for instance the month is subject to a Limited Non-Assessment Period). The IRS has broken the Limited Non-Assessment Period excuses into codes provided below with detailed descriptions. Report these codes on the monthly employee's file as applicable. Remember, this information drives any 4980H Penalties that could be due.

Employee Share (number with 2 decimal points)

This is the employee contribution for the lowest cost employee only qualifying coverage offered under your Plan, even if no one has elected that option. This amount (a) is the same for all employees submitted within a particular benefits class, (b) is not the amount paid by any one employee, and (c) may change during the calendar year. (For example, if your Plan Year is not a calendar year and you adjust employee contributions at open enrollment.) See ACA Employer Reporting Manual, "Is your Plan Affordable?" content for detail regarding this requirement.

4980H Safe Harbor (2A, 2B, 2C, 2D, 2E, 2F, 2G, 2H)

Enter the applicable code below, if any, for a month in which one of the following situations applied to the employee:

- the employee was not employed or was not an FTE;
- the employee enrolled in the MEC offered;
- the employee is in a Limited Non-Assessment Period; and
- any affordability safe harbors with respect to this employee.

In some circumstances more than one situation applies to the same employee in the same month. (For example, an employee could be enrolled in health coverage for a particular month in which he/she is not an FTE.) Nevertheless, you may use only one code for a particular calendar month. For any month in which an employee enrolled in MEC, enter Code 2C for reporting enrollment instead of any other code that could also apply. For an employee who did not enroll in health coverage, specific ordering rules provided below. Remember, these codes excuse you from a 4980H(b) Penalty.

2A. Employee not employed during the month. Enter Code 2A if the employee was not employed on any day of the calendar month. Do not use Code 2A for any month in which the individual was an employee on any day of that calendar month. Do not use Code 2A for any month in which an employee terminates employment with the employer.

2B. Employee not an FTE. Enter Code 2B if the employee is not an FTE for the month and did not enroll in minimum essential coverage, if offered for the month. TASC will use this code for any month an employee was not reported in the calendar year.

Also enter Code 2B if the employee is an FTE for the month and his/her offer of coverage (or coverage if the employee was enrolled) ended before the last day of the month solely because the employee terminated employment during the month. (In sum, the offer of coverage or actual coverage would have continued if the employee had not terminated employment during the month.)

2C. Employee enrolled in coverage offered. Enter Code 2C for any month in which the employee enrolled in health coverage offered by the employer, regardless of whether any other code in Code Series 2 might also apply. This is the most common code used for ongoing FTES who remain covered under your Plan.

2D. Enter Code 2D for an employee in a Limited Non-Assessment Period. The “Limited Non-Assessment Periods” to consider:

1. An employer’s first year as an ALE, see the ACA Employer Reporting Manual, “Are you a New ALE?” content for details on the transition relief and whether you qualify to enter this code for any month.
2. An employer who uses the Monthly Measurement Period uses Code 2D for the first three full calendar months following the first month an employee becomes eligible for an offer of MV affordable coverage. This applies only to the first time an employee is eligible for an offer of coverage during his/her employment.
3. For a new FTE (not a seasonal employee), if you use the Look Back Measurement Period enter Code 2D for the three-month period beginning with the first day of the first full calendar month of employment if, for the calendar month in which the employee is otherwise eligible for an offer of coverage under your group health plan, and the employee will be offered coverage no later than the first day of the fourth full calendar month of employment if the employee is still employed on that day. This is the most common code entered for an FTE who is in a Plan’s waiting period.
4. Employees determined to be employed on average at least 30 hours of service per week. Use Code 2D with respect to a new variable hour, new seasonal, or new part-time employee who has averaged at least 30 hours per week during any month that falls within his/her initial measurement period, and the initial administrative period, provided that the employee is offered MV affordable coverage no later than the first day of the associated stability period if the employee is still employed on that day.
5. Change in employment status during the initial measurement period. Enter Code 2D when a new variable hour, new seasonal, or new part-time employee experiences a change in employment status to become an FTE before the end of the initial measurement period. Enter the code for any month before the fourth full calendar month following the change in employment status.
6. Use Code 2D for any month in which coverage was not provided the entire month because the employee’s start and/or termination of employment date is not the first day of the month.

Note: If an employee is in an initial measurement period, enter Code 2D (employee in a Limited Non-Assessment Period) for the month, and not Code 2B (employee not an FTE).

2E. Enter Code 2E for any month in which an FTE is covered under a group health plan required by a collectively bargained agreement or appropriate related participation agreement, when you as the employer make a contribution to the coverage on behalf of the FTE. By entering this code, your contribution to the coverage will be considered an “offer” under the ACA.

2F. Section 4980H Affordability Form W-2 Safe Harbor. Enter Code 2F if you used the W-2 Safe Harbor to determine affordability. See the ACA Employer Reporting Manual, “Is your Plan Affordable?” content for detail regarding this requirement and the safe harbors available.

2G. Section 4980H Affordability Federal Poverty Line Safe Harbor. Enter Code 2G if you used the Section 4980H Federal Poverty Line Safe Harbor to determine affordability. See the ACA Employer Reporting Manual, “Is your Plan Affordable?” content for detail regarding this requirement and the safe harbors available.

2H. Section 4980H Affordability Rate of Pay Safe Harbor. Enter Code 2H if you used the Rate of Pay Safe Harbor to determine affordability. See the ACA Employer Reporting Manual, “Is your Plan Affordable?” content for detail regarding this requirement and the safe harbors available.

Note: 2F, 2G, or 2H will be codes used if Employee waives offer of coverage. You would choose the Safe Harbor you used to determine affordability of employee-only premium. If premium is not affordable, you would leave blank.

Offer of Coverage Codes (1A, 1B, 1C, 1D, 1E, 1F, 1G, 1H, 1J, 1K)

Use the Offer of Coverage Codes to report whether an offer of coverage was made to an employee for each month of the year, and if so what type of coverage was provided. An Offer of Coverage is considered to have been made for a month only if the coverage would be provided for every day of that month.

Enter the appropriate code for each employee for each monthly submission.

1A. Qualifying Offer: Minimum essential coverage providing minimum value offered to FTE with employee contribution for self-only coverage equal to or less than 9.78% mainland single federal poverty line and at least minimum essential coverage offered to spouse and dependent(s).

1B. Minimum essential coverage providing minimum value offered to employee only.

1C. Minimum essential coverage providing minimum value offered to employee and at least minimum essential coverage offered to dependent(s) (not spouse).

1D. Minimum essential coverage providing minimum value offered to employee and at least minimum essential coverage offered to spouse (not dependent(s)).

1E. Minimum essential coverage providing minimum value offered to employee and at least minimum essential coverage offered to dependent(s) and spouse.

1F. Minimum essential coverage NOT providing minimum value offered to employee, or employee and spouse or dependent(s), or employee, spouse and dependents.

1G. Offer of coverage to employee who was not an FTE for any month of the calendar year and who enrolled in self-insured coverage for one or more months of the calendar year. An employer who sponsors a self-insured health plan may report enrollment information for individuals who were not employees on any day of the calendar year by entering Code 1G for all twelve months. Such individuals might include a non-employee director, a terminated employee receiving COBRA coverage who terminated employment in a previous calendar year, a retired employee who terminated employment in a previous calendar year, or a family member (including a surviving spouse or dependent) of such an individual if the family member is receiving coverage independent of the individual, such as a surviving spouse of a retiree who is enrolled in the Plan because the retiree elected self plus spousal coverage.

1H. No offer of coverage (employee not offered any health coverage or employee offered coverage that is not minimum essential coverage). For the first month of employment, report that the employee was not offered coverage for that first month by entering Code 1H (unless the offer of coverage extended to every day of that month). For example, a newly-hired employee starts employment on the 10th day of a calendar month, and accepts the offer of coverage, to begin on the 10th day of the next calendar month; you must indicate that the employee was not offered coverage for that first month.

If an employee terminates employment on any day other than the last day of a month and the coverage or offer of coverage expires upon termination of employment, enter Code 1H to report that the employee was not offered coverage for that final month of employment.

1J. Minimum essential coverage providing minimum value offered to employee and at least minimum essential coverage conditionally offered to spouse; minimum essential coverage not offered to dependent(s). A conditional offer is an offer of coverage that is subject to one or more reasonable, objective conditions (for example, an offer to cover an employee's spouse only if the spouse is not eligible for coverage under Medicare or a group health plan sponsored by another employer).

1K. Minimum essential coverage providing minimum value offered to employee; at least minimum essential coverage offered to dependents; and at least minimum essential coverage conditionally offered to spouse. A conditional offer is an offer of coverage that is subject to one or more reasonable, objective conditions (for example, an offer to cover an employee's spouse only if the spouse is not eligible for coverage under Medicare or a group health plan sponsored by another employer.)

Self-Funded Only

In order for TASC to report covered dependents to the IRS you will need to send TASC the date of birth for each dependent, and if available, their social security number. When there are multiple births on the same day, for instance twins, then the social security numbers are required.