

## Minimum Essential Coverage Reporting (§6055) and Shared Responsibility (§6056) Reporting and Disclosure

The Affordable Care Act (ACA) added additional reporting and disclosure requirements. This Compliance Cue Card© provides an overview of the requirements relating to the individual mandate and employer shared responsibility. Refer to regulations<sup>1</sup> for complete information. Beginning with the 2021 Forms must be provided to employees by March 2<sup>nd</sup> and reported to the IRS by February 28 (March 31 if filed electronically). The reporting requirements are based on the calendar year regardless of the plan or policy year. The IRS has eliminated the transitional good faith relief after tax year 2020.

**Note:** California, District of Columbia, Massachusetts, New Jersey, Vermont and Rhode Island require information reporting. Check with your providers for state due dates as well as other states that may require a filing.

	<b>§6055 Information Reporting of Minimal Essential Coverage (MEC)</b>	<b>§6056 Information Reporting by Applicable Large Employers (ALE) on Health Insurance Coverage offered under employer sponsored plans.</b>
<b>Purpose</b>	<ul style="list-style-type: none"> <li>To allow taxpayers to establish MEC and the months covered</li> <li>To allow the IRS to verify individual MEC</li> <li>To facilitate compliance with administration of premium tax credit</li> <li>To provide statements with specific information to individuals</li> </ul>	<ul style="list-style-type: none"> <li>To report to IRS compliance with the employer shared responsibility provisions of §4980H</li> <li>To facilitate compliance with administration of premium tax credit</li> <li>To provide statements with specific information to individuals</li> </ul>
<b>Who</b>	Any “person” that provides minimal essential coverage. <ul style="list-style-type: none"> <li>Insurance company in the case of insured plans</li> <li>Employer in the case of self-insured plans</li> </ul>	<ul style="list-style-type: none"> <li>Applicable large employers (generally 50 or more full time employees, including full-time equivalent employees in the prior year)</li> </ul>
<b>What</b>	<i>To the IRS:</i> <ul style="list-style-type: none"> <li>Name, address and EIN of the reporting entity</li> <li>Name, address, TIN (or date of birth if TIN not available) of primary insured</li> <li>Names, dates of coverage and TIN (or date of birth if TIN not available) and months of coverage for each individual covered under the policy or program</li> <li>Other information as the Secretary may provide</li> </ul>	<ul style="list-style-type: none"> <li>ALE Name, date, EIN, name and telephone number of contact</li> <li>Calendar year for which information is being reported</li> <li>A certification as to whether the employer offers to its full-time employees (and their dependents) the opportunity to enroll in MEC under an eligible employer sponsored plan, by calendar month</li> <li>If the employer certifies that MEC was offered, the return must include               <ul style="list-style-type: none"> <li>months during the calendar year for which MEC under the plan was available</li> <li>full-time employee's share (self-only) of lowest cost monthly premium for minimum value coverage offered by calendar month</li> </ul> </li> </ul>

<sup>1</sup> MEC §6055 reporting [final regulations](#); ALE §6056 reporting [final regulations](#)

	<p><i>To the individual:</i> In addition to the above information, the information reported to an individual must include:</p> <ul style="list-style-type: none"> <li>• Name, address, EIN of employer sponsoring the Plan</li> <li>• Whether the coverage is a Qualified Health Plan enrolled in through SHOP and the SHOP's unique identifier</li> <li>• Other information as Secretary may provide</li> </ul>	<ul style="list-style-type: none"> <li>• The number of full-time employees for each month during the calendar year</li> <li>• The name, address, TIN of each full-time employee during the calendar year and the months, if any, during which the employee was covered</li> <li>• Other information as the Secretary may provide</li> </ul>
<b>To Whom</b>	<ul style="list-style-type: none"> <li>• IRS and</li> <li>• A written statement to each individual listed on return</li> </ul>	<ul style="list-style-type: none"> <li>• To IRS</li> <li>• A written statement to each employee whose name is required to be recorded in the return that shows name, address, phone number of the information contract and the information reported with respect to the individual</li> </ul>
<b>How</b>	<ul style="list-style-type: none"> <li>• Form 1095-B or another Form designated by the IRS</li> <li>• Form 1094-B Transmittal Form</li> </ul>	<ul style="list-style-type: none"> <li>• Form 1095-C or another Form designated by the IRS</li> <li>• Form 1094-C - Transmittal Form</li> </ul>
<b>When</b>	<ul style="list-style-type: none"> <li>• March 2, 2022 to the individual</li> <li>• February 28, 2022 to IRS if filed on paper</li> <li>• March 31, 2022 if filed electronically</li> </ul>	<ul style="list-style-type: none"> <li>• March 2, 2022 to the individual</li> <li>• February 28, 2022 to IRS if filed on paper</li> <li>• March 31, 2022 if filed electronically</li> </ul>
<b>Penalties</b>	<p>IRC §6721 applies to the return and IRC §6722 applies to the individual statements. Refer to <a href="https://www.irs.gov/government-entities/federal-state-local-governments/increase-in-information-return-penalties">https://www.irs.gov/government-entities/federal-state-local-governments/increase-in-information-return-penalties</a> for the latest penalties. .</p>	