

Automotive Aftermarket Association Southeast Health Fund Reporting Requirements of ALE's Offering Fully Insured Health Coverage

Definitions:

ALE (applicable large employers) - Employers with 50 or more full-time employees (including full-time equivalent employees or FTE's).

Full-time employees – An employee who, for a calendar month, is employed an average of at least 30 hours of service per week with the employer or 130 hours in a calendar month.

Full-time equivalent employees (FTE's) – A combination of employees, each of whom individually is not treated as a full-time employee because he or she is not employed on average at least 30 hours per week with an employer, but who, in combination, are counted as the equivalent of a full-time employee solely for the purposes of determining whether the employer is an ALE.

Responsible individual – The person who, based on a relationship to the covered individuals, the primary name on the coverage, or some other circumstances, should receive the statement. (Example: an employee or former employee in the case of employer-sponsored coverage).

Purpose of the Forms:

Form 1094-C is used to report summary information for each employer and transmit the Forms 1095-C to the IRS.

Form 1095-C is used to report the information required under sections 6055 and 6056 about offers of health coverage and enrollment in health coverage for their employees.

In addition, Forms 1094-C and 1095-C are used:

- in determining whether an employer owes a payment under the employer shared responsibility provisions under section 4980H
- in determining the eligibility of employees for the premium tax credit

Who must File:

Applicable Large Employers (ALE's) must file Form 1095-C for each employee who was a full time employee of the employer for any month of the calendar year. Generally, the employer is required to furnish a copy of the Form 1095-C to the employee.

An employer that offers fully insured health coverage through an employer-sponsored health plan must complete Form 1095-C, Parts I and II.

What to File:

ALE's offering fully insured health coverage must file Forms 1094-C and 1095-C.

ALE's must file a Form 1095-C for each employee who was a full-time employee of the employer for any month of the calendar year.

An employer that offers health coverage through an employer-sponsored fully-insured health plan must complete Form 1095-C, Parts I and II.

When to File:

Paper filings = filed with the IRS on or before February 28th

Electronic filings = filed with the IRS on or before March 31st

A copy of Form 1095-C must be furnished to the person identified as the "responsible individual" on the form by March 2, 2023. (The due date for furnishing the 2022 Form 1095-C to individuals is March 2, 2023.)

Note>>Electronic filing is required for reporting entities that file 250 or more information returns per calendar year.