



SPECIAL BULLETIN

IRS Publishes Final Instructions and Forms For Reporting Health Care Coverage

Clarifies Contributing Employer Reporting Codes

The IRS published final instructions for Forms 1094-B/1095-B and Forms 1094-C/1095-C, as well as the final corresponding Forms 1094 series and Form 1095 series. Links to the Forms and Instructions are found at the end of this article.

The "B" series forms are used by self-insured multiemployer plans to report coverage on individuals and the earlier drafts did not leave any questions unanswered about how such plans will fill out these forms.

However, the "C" series form instructions were ambiguous on certain items. Earlier draft instructions had raised concerns that Applicable Large Employers (ALEs) would need to obtain enrollment information from the multiemployer health plan regarding the employee(s) for which the ALE contributes. An ALE is an employer with 50 or more full-time employees (FTEs) (or FTE equivalents). This raised concerns that such information was Protected Health Information (PHI) under the *HIPAA Privacy Rule* and disclosure to the ALE by the plan would violate the *HIPAA Privacy Rule*. There were also concerns that such information is not readily available from the health plan as multiemployer health plans do not necessarily track what employer is contributing for what employee throughout the year.

The final instructions for the "C" series forms used by ALEs clarify that an ALE that is a contributing employer to a multiemployer health care plan can fulfill its reporting duties (at least for 2015) on employees for which it contributes to the plan without needing enrollment information from the plan. This may change for 2016. An ALE has separate reporting duties for employees for which the ALE does not contribute to a multiemployer plan.

The Instructions for Form 1095-C clarify that ALEs contributing to a multiemployer health plan should **use code "1H" on line 14** for employees for whom such contributions were made. The Instructions also clarified that **code 2E on line 16**

should be used, even if another code (such as 2C) could also be used. Prior drafts gave a priority to code 2C over 2E, but the new instructions clarify that matter. **These rules apply only to the employees for which the ALE makes contributions to a multiemployer plan.** The rules for an ALE to qualify for multiemployer plan relief are discussed on page 15 of the Form 1095-C Instructions.

The 2015 Instructions and Forms are available at:

- [Text of 2015 Instructions for IRS Forms 1094-B, Transmittal of Health Coverage Information Returns, and 1095-B, Health Coverage](#)
 - [2015 Form 1094-B](#)
 - [2015 Form 1095-B](#)
- [Text of 2015 Instructions for IRS Forms 1094-C, Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns, and 1095-C, Employer-Provided Health Insurance Offer and Coverage](#)
 - [2015 Form 1094-C](#)
 - [2015 Form 1095-C](#)

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For recent newsletters on Instructions and Forms 1094-B and 1095-B, refer to:

- [Benefit News Briefs 2015-09](#)
- [Benefit News Briefs 2015-13](#)

For recent newsletters on Instructions and Forms 1094-C and 1095-C, refer to:

- [Client Bulletin 2015-40](#)
- [Benefit News Briefs 2015-42](#)

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