

Which Employers are Required to Report?

ALEs. Whether sponsoring a *fully-insured or self-funded plan* (see separate bullet for small, self-funded employers), employers who are ALEs must comply with the Section 6056 reporting requirements. To be considered an ALE for a calendar year, an employer must have employed, on average, at least 50 full-time employees including full-time equivalent employees during the **previous** calendar year. All types of employers can be ALEs, including tax-exempt organizations and government entities.

CONTROLLED GROUPS. All employees in a controlled group² are counted when determining whether the employer is an ALE. If the *combined total of all full-time and full-time equivalent employees* of all employers within the controlled group meets the threshold, every employer in the controlled group is considered an ALE and is subject to Section 6056 reporting requirements.

SMALL, SELF-FUNDED EMPLOYERS. Small employers (i.e., non-ALEs) that sponsor a self-funded group health plan (*including a level-funded health plan*) must comply with the 6055 reporting requirements by using the B Forms. Note that ALEs that sponsor a self-funded health plan will comply with the reporting requirements under both Code Sections 6055 and 6056 by using the C Forms.

Reporting Forms

1094-B. This form acts as a transmittal form or cover sheet for Forms 1095-B to the IRS. The 1094-B requests only the following information: the filer's name and address, EIN, information for an employer contact, total number of Forms 1095-B transmitted with the Form 1094-B, and a signature, title, and date.

1095-B. This form is used by insurers and small, self-funded employers to provide actual enrollment information of the individual and family members enrolled in minimum essential coverage.

1094-C. This acts as a transmittal form or cover sheet for Forms 1095-C, similar to a W-3. Some information reported on this form includes the basic contact and identifying information of the employer, whether the employer offered minimum essential coverage to at least 95% of its full-time employees for each month of the calendar year, and the total number of employees in each month.

1095-C. If you are an ALE (whether fully insured or self-funded), this form must be completed for every full-time employee, submitted to the IRS, and furnished to each

² All employers treated as a single employer under Internal Revenue Code section 414(b), (c), (m), or (o) are treated as one employer for purposes of determining ALE status.

DOCUMENT RETENTION. Maintain records of hire and termination dates, along with documents substantiating compliance with the offer of coverage requirements (e.g. SBCs³, records of eligibility, election and waiver forms, etc.).

OUTSOURCED REPORTING. If working with an ACA reporting vendor or payroll provider, confirm that their system accommodates the updates made to the 2022 Forms. When transitioning to a new vendor or provider, it is critical to receive and maintain all records and data used to generate the past forms before terminating the contract.

STATE MANDATE. If your state has an individual mandate requirement, consult with your ACA reporting vendor to confirm that their system complies with the state’s filing requirements.

NON-ALEs

SELF-INSURED & LEVEL-FUNDED PLANS. If you sponsored a self-insured or level-funded group health plan in 2022, make arrangements to comply with the Section 6055 reporting requirements by completing the necessary B Forms.

EMPLOYEE COUNT. If you are close to the 50 full-time, including full-time equivalent, employee threshold, determine your future ALE status for 2023, so you can proactively prepare to meet the ALE reporting requirements the following year.



ADDITIONAL RESOURCES

Instructions

[1094-C & 1095-C](#)

[1094-B & 1095-B](#)

Forms

[1095-C](#)

[1095-B](#)

³ The summary of benefits and coverage (SBC) is a short document providing simple and consistent information about a health plan’s benefits and coverage. The ACA requires health plans and issuers to provide an SBC that is in accordance with the required template.