

Utah Laborers' Trust Funds

COMPUSYS/UT

UTAH LABORERS' HEALTH & WELFARE FUND
UTAH LABORERS' PENSION TRUST FUND
UTAH LABORERS' TRAINING TRUST FUND

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As a number of employers have made inquiries to the Fund Office regarding the new Affordable Care Act reporting obligations under I.R.C. 6056 and IRS Form 1094-C and 1095-C, the Trustees have directed this memorandum to be circulated to employers with such inquiries. This memorandum is only the Fund's understanding of these reporting obligations. It should be noted that this is not meant to be taken as legal advice from the Fund, and employers should consult their own attorneys for legal advice. This information is also only applicable to the employees for whom contributions are due to the Fund. Please consult your own legal advisor for reporting obligations of employees that the employer is not making contributions for.

As you know, IRC 6056 requires Applicable Large Employers (please consult your legal advisor to determine if you are an Applicable Large Employer) to submit IRS Forms 1094-C and 1095-C to the IRS and distribute each employee's Form 1095-C to the individual.

Form 1094-C is the transmittal form to the IRS indicating the coverage provided to all employees. If filling out the Authoritative Transmittal covering individuals on whose behalf a contribution is made, the employer should check box C to indicate coverage provided under a multiemployer plan. To the extent the employer is filling out Part III of Form 1094-C, the plan does offer minimum essential coverage to employees on whose behalf a contribution is made to the Fund, allowing you to indicate such in column (a).

Form 1095-C is the reporting form that needs to be provided to each employee. Part II of the Form is used to indicate the offer of coverage to the employee. On Line 16 the instructions indicate that code 2E should be entered for any month for which a contribution is made on behalf of an employee to a multiemployer health fund. Line 14 asks about specific individuals' eligibility. Currently HIPAA privacy regulations prohibit, under threat of financial penalty, the release of eligibility information to participating employers for this purpose. The Trustees are anticipating future guidance from the regulators on this issue. In the meantime, the IRS has stated that they will not impose any penalties for incomplete reporting on coverage for year 2015, if the employers have made a good faith effort to comply with the reporting requirements.

The Forms 1094-C and 1095-C are currently in draft form. Final forms and instructions are expected to be released before 2016. We will keep you updated as more information is available.

