

GOVERNANCE  
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## It's That Time of the Year Again for ACA Reporting

The Affordable Care Act (ACA) created reporting rules under Code Sections 6055 and 6056 that require certain employers to provide information to the IRS about the health plan coverage they offer (or do not offer) or provide to their employees. Each reporting entity must annually file all of the following with the IRS:

- A separate **statement** (Form 1095-B or Form 1095-C) for each individual who is provided with minimum essential coverage (for providers reporting under Section 6055), or for each full-time employee (for ALEs reporting under Section 6056)
- A **transmittal form** (Form 1094-B or Form 1094-C) for all of the returns filed for a given calendar year

Reporting entities must also furnish related statements (Form 1095-B or 1095-C) to individuals.

The final forms for 2018 have been published, which means it's time for you to take action. Fortunately, the 2018 forms and instructions are substantially similar to the 2017 versions. The most significant change is that Form 1095-C clarifies that the "Plan Start Month" box in Part II will remain optional for 2018. The IRS previously indicated that this box may have been mandatory for the 2018 Form 1095-C.

These forms must be filed with the IRS no later than **Feb. 28, 2019 (April 1, 2019, if filing electronically)**. However, the IRS extended the due date for furnishing individual statements for 2018 an extra 30 days, from Jan. 31, 2019, to **March 4, 2019**.

Please contact us today to get assistance with ACA reporting or to request employee communications on this topic.

## Wellness Plan Incentive Limits Removed by EEOC

On Dec. 20, 2018, the Equal Employment Opportunity Commission (EEOC) removed the incentive limits from its final wellness plan rules. The rules allowed employers to offer wellness incentives of up to 30 percent of the cost of health plan coverage.

The AARP successfully challenged the EEOC's incentive limit by arguing that it was too high to be consistent with federal laws that require "voluntary" employee participation in wellness programs. The court [vacated](#) the EEOC's incentive limit for employer-sponsored wellness plans, effective Jan. 1, 2019.

Beginning Jan. 1, 2019, the final rules' guidance on permissible incentive limits for voluntary wellness programs no longer applies.

Due to this new legal uncertainty, employers should carefully consider the level of incentives they use with their wellness programs. Employers should also monitor any developments related to the EEOC's rules. Contact us today for more information.

