

Affordable Care Act and ERISA ANNUAL Reporting – Immediate Action Required

For employers offering group health plans, including offering an Individual Coverage Health Reimbursement Arrangement (ICHRA), comes annual reporting regulations and requirements. The filing requirements were recently finalized and Nexben has the information and support you need, simplifying the overall reporting process.

What You Need to Know about Filing

ICHRA's are new and so are the filing requirements. Outlined on the following pages are summaries of ACA (Affordable Care Act) and ERISA (Employee Retirement Income Security Act) annual reporting requirements and deadlines. Action needs to be taken this week as the filing deadlines are fast approaching.

The Trovia Difference

Our team of experts is ready to help you navigate the complexities and nuances of the ICHRA reporting requirements. Nexben will provide much of the required data at no cost to you.

The Trovia Customer Care Team will introduce you to the team of filing experts who will guide you in identifying the additional information you will need to supply. You will continue to work directly with the filing experts to complete signature ready forms and distribute information to covered persons. The filing expert(s) will bill you directly (*see side panel for fee details*).

The ACA filing requirements are new and unique. Working with an expert team to properly prepare and file the reports is extremely important. Should you choose to forego using our experienced filing team, Nexben will provide a data file upon request.

Your Next Steps

Contact the Trovia Customer Care Team to get the filing process started. Call **1-877-4-Trovia** **no later than Thursday, February 4.**

IMPORTANT

All employers offering an ICHRA in 2020 are required to file – no matter what size employer you are.

FEE DETAILS

NEXBEN DATA EXTRACT – No Fee

AFFORDABLE CARE ACT ANNUAL REPORT FEES

Applicable Large Employers (ALEs)

- **Service Fees**
 - \$300 for the 1094C
 - \$5 per 1095C filed
- **Data Consolidation Fee**
 - \$1 per participant per month for each 1095C

Non-Applicable Large Employers (Non-ALEs)

- **Service Fees**
 - \$200 for the 1094B
 - \$5 per 1095B if a template to import data is received, or \$10 per 1095B if manual data entry is required

ERISA FEES

- **Service Fees** – \$250 Flat Fee

All fees, if applicable, will be billed directly to employer by filing partner(s).

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ACA Annual Reporting Requirement Summary

All employers that sponsor an ICHRA **must** complete an annual filing of Forms 1094/1095 and make that information available to persons covered under the ICHRA. The specific forms and information required to complete the reporting will depend on a number of factors, outlined below. There are penalties for not filing and not filing timely. It is very important to file the correct version of the forms.

Applicable Large Employers (ALEs): Forms 1094/1095-C

Employers with 50 or more full-time equivalent employees must meet the employer mandate regarding employee health coverage or face penalties. There are two types of penalties, (1) a penalty for not offering enough full-time employees coverage, and (2) a penalty for not offering coverage that is affordable.

An Applicable Large Employer (ALE) that sponsors an ICHRA must complete Form 1094/1095-C, including Part III regarding the self-insured plan (the ICHRA). Completing these forms involves gathering a significant amount of information about the employees and their family members. And much of the information must be on a month-by-month basis. Any individual covered under the ICHRA for even a month must be reported. In addition, employees must be sent by first class mail a copy of the Form 1095-C that reflects their information.

Form 1095-1094-C Deadlines

- Submit to IRS on or before February 28 if filing on paper (March 31 if filing electronically) for the calendar year coverage year 2020.
- Distribute (first class mail) to covered individuals by March 2, 2021 for the calendar coverage year 2020.

SPECIAL DISCLOSURE RULE FOR 2020 PLANS (Forms 1094/1095-B only)

- First, the reporting entity must post a notice prominently on its website stating that responsible individuals may receive a copy of their 2020 Form 1095-B upon request, accompanied by an email address and a physical address to which a request may be sent, as well as a telephone number that responsible individuals can use to contact the reporting entity with any questions.
- Second, the reporting entity must furnish a 2020 Form 1095-B to any responsible individual upon request within 30 days of the date the request is received.

Non-Applicable Large Employers (Non-ALEs): Forms 1094/1095-B

It is important to note that even **small employers** that are not ALEs **must also file**. For its ICHRA, a small employer files using Form 1094/1095-B. **There is no exception to the ACA annual reporting requirements for a small employer.** All providers of minimum essential coverage (MEC) to an individual during a calendar year must file an **annual report** on Form 1094/1095-B. An HRA, including an ICHRA, is a self-insured group health plan that is MEC. An employer that sponsors an ICHRA is a “provider” and must file.

Completion of the 1094/1095-B Forms is not as involved as the 1094/1095-C Forms, but still requires the collection of information about the employer, the plan, and the persons covered under the plan.

Form 1095-1094-B Deadlines

Submit to IRS on or before February 28 if filing on paper (March 31 if filing electronically) for the calendar year coverage year 2020.

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ERISA Annual Reporting Requirement Summary

ERISA Reporting: Form 5500

The Form 5500 is part of ERISA's overall reporting and disclosure framework. The required information is collected to assure that employee benefit plans are operated and managed in accordance with certain prescribed standards and that participants and beneficiaries, as well as regulators, are provided, or have access to, sufficient information to protect the rights and benefits of participants and beneficiaries under employee benefit plans.

Annual Filing Requirements

Under the ERISA, a Form 5500 is required for any welfare benefit plan (including ICHRA plans). However, there is an exception called the "small plan exception" to the filing requirement for plans years in which:

- There are less than 100 participants on the first day of the plan year, and
- The plan is funded out of the employer's general assets, insurance, or both.

ERISA Form 5500 Reporting Deadline

All required forms, schedules, statements, and attachments must be filed by the last day of the 7th calendar month after the end of the plan year (not to exceed 12 months in length) that began in 2020. For plan years that began in 2020 and ended on December 31, 2020 (called "short" plan years), **the filing deadline is July 31, 2021.**

Penalties

Significant penalties apply if the Form 5500 is filed late. Plan administrators and plan sponsors must provide complete and accurate information and must otherwise comply fully with the filing requirements. Penalty amounts for failure to file or refusal to file can be found on page 7 of the [2020 Instruction for Form 5500](#).

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