

Affordable Care Act (ACA)
Internal Revenue Service (IRS) Forms
 1095-C “Employer-provided Health Insurance Offer and Coverage”
 and 1095-B “Health Coverage”

Frequently Asked Questions for State of Iowa Employees

1.	Why am I receiving a Form 1095-C?	<p>Per the ACA, the State of Iowa is required to provide verification of health insurance coverage for all employees who worked an average of 30 hours or more per week and were offered health insurance from the State during the calendar year.</p> <p>Note: State Police Officers’ Council (SPOC) employees will also receive Form 1095-B – see question #9.</p>
2.	What is the purpose of Form 1095-C?	<p>Form 1095-C is provided as proof of qualifying health insurance coverage the State of Iowa offers you and your family. It contains information about who provides your health insurance, which members of your family are covered (if applicable) and the months of the year each person was covered.</p> <p>Please keep Form 1095-C for your records. It contains information that will be necessary for completing your Federal income tax return.</p> <p>Only one form is provided for all covered individuals. You may need to provide copies to your dependents.</p> <p>As required by ACA, the information provided on Form 1095-C will also be reported to the IRS.</p>
3.	What specific information is included on Form 1095-C?	<p>Form 1095-C includes:</p> <p>Basic identification information about you and your employer (the State of Iowa).</p> <ul style="list-style-type: none"> • Various codes and amounts indicating the type, level, and affordability of health insurance coverage offered, as required by law. • Each month you and any dependents were enrolled in a State of Iowa health insurance plan. • It may also list the lowest monthly health insurance premium you could have chosen for the self-only health insurance offered to you. This amount is not required to reflect the plan you actually selected or the enrolled tier of coverage. If you qualified for a

		wellness incentive during the year, the State is required to reflect the non-wellness contribution rate for reporting purposes.
4.	What do I do with Form 1095-C?	<p>Immediately review the form for accuracy of your personal information, such as your name, address, Social Security number, date of birth (if included on the form), and any dependents. Are the correct dependents listed, and are their names, dates of birth, Social Security numbers correct? (See question #14 if you find an error.)</p> <p>You or your tax preparer will use the information on the Form to report health insurance coverage required for filing your Federal income tax return.</p> <p>You may need to make copies – only one Form is provided for all covered individuals on your health insurance plan.</p>
5.	Why am I required to provide proof of health insurance coverage?	<p>Under the ACA, all taxpayers <u>must comply with at least one of the following</u>:</p> <ul style="list-style-type: none"> • Have qualifying health insurance (i.e. “minimum essential coverage”) for each month of the year. • Have an exemption from the health insurance coverage requirement. • Pay a penalty (“individual shared responsibility payment”) when filing Federal income tax returns if an exemption or qualifying health insurance coverage was not obtained for each month of the year. (See questions #7 & #8 below for exemption and penalty information.)
6.	What is Qualifying Health Insurance Coverage?	<p>Qualifying health insurance coverage meets ACA “minimum essential coverage” requirements. Qualifying plans include:</p> <ul style="list-style-type: none"> • State of Iowa employee group health insurance plans • Individual health insurance plans purchased directly from an insurance company, including the Health Insurance Marketplace • Health care coverage plans provided by government-sponsored programs; <ol style="list-style-type: none"> 1. Medicare Part A and Medicare Advantage plans 2. Medicaid 3. Children’s Health Insurance Program (CHIP)

		<ol style="list-style-type: none"> 4. TRICARE Comprehensive health care offered by the U.S. Department of Veterans Affairs 5. State high-risk health insurance pools (only for a plan year beginning on or before 12/31/2014, unless recognized as minimum essential coverage by HHS) 6. Health care provided to Peace Corps volunteers 7. U.S. Department of Defense Non-appropriated Fund Health Benefits Program 8. Refugee Medical Assistance <p>Note: Medicare and Medicaid do not provide 1095 Forms.</p>
7.	How do I qualify for an Exemption?	<p>If you are not eligible for State of Iowa employee coverage and meet certain criteria for a tax year, you may be eligible for a qualifying health coverage exemption.</p> <p>If exempt, you are not required to make a “shared responsibility payment” for not having qualifying health insurance when you file your Federal income tax return.</p> <p>The “shared responsibility payment” is a penalty required for any month in which a coverage exemption or minimum essential coverage is not obtained and verified. (Health insurance gaps of less than 3 months may qualify for an exemption.)</p> <p>Exemptions may be obtained from the Health Insurance Marketplace or from the IRS when you file your tax return. (See https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/ACA-Individual-Shared-Responsibility-Provision-Exemptions)</p> <p>You may receive an exemption if you meet one of the following:</p> <ul style="list-style-type: none"> • The minimum premium amount you must pay for annual health insurance coverage is more than 8% of your annual household income. • You have a gap in health insurance coverage of less than 3 consecutive months. • You qualify for an exemption for one of several other reasons, including having a hardship that prevents you from obtaining coverage, or belonging to a group explicitly exempt from the requirement.

8.	What is the “Shared Responsibility Payment”?	<p>A “Shared Responsibility Payment” is the ACA’s individual mandate or “penalty” required of taxpayers who fail to have qualifying health insurance coverage OR an exemption for themselves or anyone claimed on their tax return.</p> <ul style="list-style-type: none"> • The payment amount is either a percentage of income or a flat dollar amount, whichever is greater. • The Shared Responsibility Payment is the higher of: <ol style="list-style-type: none"> 1. 2.5% of household income, or 2. \$695 per adult, \$347.50 per child under the age of 18 (up to a maximum of \$2,085) <p>The amount owed is 1/12th of the annual payment for each month the taxpayer (or dependent) does not have qualifying insurance coverage OR an exemption.</p>
9.	What is Form 1095-B and why would I receive one?	<p>Form 1095-B also provides proof of health insurance coverage to the IRS.</p> <p>You will receive a 1095-B from the State of Iowa if you were enrolled in one of the State’s self-funded health insurance plans and:</p> <ul style="list-style-type: none"> • worked less than 30 hours per week, or • were retired the entire tax year, or • were enrolled in COBRA at the beginning of the tax year <p>You will receive Form 1095-B from Wellmark if you were a full-time employee enrolled in a <u>fully-insured</u> plan.</p> <p>Only State Police Officers Council (SPOC)-covered employees will receive a 1095-B from Wellmark.</p> <p>If you are a SPOC covered employee enrolled in Alliance Select, you will receive Form 1095-C from the State of Iowa showing the offer of coverage and Form 1095-B from Wellmark indicating monthly health insurance enrollment for you and any dependents.</p>
10.	What if I worked for another employer or enrolled in other health insurance plans?	<p>If you are covered by a different employer or insurance plan(s), you should receive a Form 1095-C and/or Form 1095-B from them.</p>

11.	What information is the State of Iowa required to report to the IRS when filing the return?	<p>State of Iowa name, address, and employer identification number (EIN)</p> <ul style="list-style-type: none"> • Your name, address, and Social Security Number (SSN) (or date of birth if a SSN is not available) • The name and SSN (or date of birth if a SSN is not available) for each individual covered under your health insurance coverage, and the months for which you were enrolled in coverage and entitle to receive benefits, and • For coverage provided by a health insurance company through a group health plan, the name, address, and Employer Identification Number of the employer sponsoring the plan
12.	Is the State of Iowa required by the IRS to provide SSNs for me and my dependents?	<p>Yes, reporting SSNs for all covered employees is required by the IRS to verify your coverage without the need to contact you directly.</p> <p>If the State of Iowa doesn't have the SSN of a dependent, there may be delays regarding authenticating coverage related to the information reported on the income tax return.</p>
13.	When will I receive Form 1095-C?	<p>All Forms will be mailed on or before the ACA deadline of March 4, 2019. Please allow ample time for mail delivery as the Forms will be mailed from outside of Iowa. If you do not receive your Form, please contact DAS through the form found on the State of Iowa's ACA webpage (https://das.iowa.gov/human-resources/ACA).</p>
14.	How do I correct an error on Form 1095-C?	<p>Upon receipt, please review the Form for accuracy – including personal information, such as your name, address, Social Security number, date of birth (if included on the Form), and any dependents. Are the correct dependents listed, and are their names, dates of birth, SSNs correct?</p> <p>If you identify an error on the Form, please submit corrections through the form on the State of Iowa's ACA webpage (https://das.iowa.gov/human-resources/ACA) by February 15, 2019.</p>
15.	Questions regarding Form 1095?	<p>If you have any questions regarding Forms 1095-B and 1095-C:</p> <ul style="list-style-type: none"> • Visit the State of Iowa ACA webpage: (https://das.iowa.gov/human-resources/ACA) • If you do not have internet access, call 515-725-1170. • Visit (http://www.irs.gov/uac/About-Form-1095-B) • Visit (http://www.irs.gov/uac/About-Form-1095-C)