

# The Affordable Care Act and Form 1095-C

## Frequently Asked Questions

### 1. What do I need to know about the Affordable Care Act (ACA)?

Beginning January 1, 2014, the ACA "Individual Mandate" requires individuals to obtain and maintain Minimum Essential Coverage (MEC) for themselves and their dependents or pay a penalty. The provision applies to individuals of all ages, including children. The adult or married couple who can claim a child or another individual as a dependent for federal income tax purposes is responsible for paying the penalty if the dependent does not have coverage or an exemption. Individuals can obtain MEC through their employer's plan or through some other means to comply with the Individual Mandate and not be subject to the penalty.

### 2. What is Minimum Essential Coverage (MEC)?

MEC is the coverage an individual must have to comply with the Individual Mandate and avoid the penalty. If you and your dependents were covered by any of the following types of plans throughout 2015 and continue to maintain coverage, you have met the requirements of the Individual Mandate and no penalty will be assessed.

- Employer-sponsored coverage (including COBRA) coverage and retiree coverage. **SMU's Medical plans meet the MEC requirements.**
- Coverage purchased in the individual market, including a qualified health plan offered by the Health Insurance Marketplace (also known as an Affordable Insurance Exchange)
- Medicare Part A coverage and Medicare Advantage (MA) plan
- Most Medicaid coverage
- Children's Health Insurance Program (CHIP) coverage
- Certain types of veterans health coverage administered by the Veterans Administration
- TRICARE (the military's health insurance plan for active-duty members, retirees, and their families)
- Coverage provided to Peace Corps volunteers
- Coverage under the Nonappropriated Fund Health Benefit Program
- Refugee Medical Assistance supported by the Administration for Children and Families
- Self-funded health coverage offered to students by universities for plan or policy years that begin on or before Dec. 31, 2014
- State high risk pool coverage established on or before November 26, 2014 in any State

### 3. What are the ACA reporting requirements?

Under the terms of the Affordable Care Act (ACA) and Internal Revenue Code Sections 6055 and 6056, large employers (generally, those with 50 or more full-time employees) are required to file with the IRS, and distribute to each employee who was a **full-time** employee for any month of the 2015 calendar year, Form 1095-C. The form contains detailed information regarding offers of, and enrollment in, health coverage.

- Under the ACA, an employee is considered a full-time employee for a calendar month if he or she averages at least 30 hours of service per week. 130 hours of service in a calendar month is treated as the monthly equivalent of at least 30 hours of service per week.

### 4. What is the purpose of Form 1095-C?

The information on Form 1095-C will help employees and the IRS determine which individuals were offered and/or maintained Minimum Essential Coverage and are therefore not subject to a penalty under the Individual Mandate. If you receive Form 1095-C, it is because you were considered "full time" for ACA purposes for at least part of 2015 or you were covered for at least one day in 2015 under SMU's self-insured medical plan.

- If you and all of your dependents had MEC for each month of the tax year, you will indicate this on your tax return by checking a box on your Form 1040, 1040A or 1040EZ. **You are not required to file your Form 1095-C with your 2015 tax return** but you should provide a copy to your accountant or tax preparer and keep a copy with your tax records.
- One form is provided for all individuals listed on your medical coverage. You should provide a copy to your spouse or dependent children if they file a separate tax return. Visit the [IRS.gov ACA website](http://IRS.gov) to review a comprehensive set of questions and answers regarding the Individual Mandate and reporting requirements.
- Keep in mind that you may receive another Form 1095-C (or Form 1095-B) if you worked for another employer earlier in the year.

- You may need this form if you were offered health coverage by SMU and you did not sign up for it.

**5. When and how will I receive my 1095-C?**

The original deadline to distribute the 1095-C to employees was February 1, 2016. On December 28, 2015, the IRS extended the deadline to March 31, 2016. Your 1095-C will be prepared and mailed to your home address by UnifyHR. Remember, ***you are not required to file your Form 1095-C with your 2015 tax return.***

**6. What if I have questions about my 1095-C?**

Questions regarding your 1095-C should be directed to the Department of Human Resources via email to [benefitsu@smu.edu](mailto:benefitsu@smu.edu). If any information is found to be incorrect, a corrected Form 1095-C will be provided.

**7. What information is SMU required to report to the IRS?**

SMU is required to report the following to the IRS:

- SMU's name, address, and employer identification number (EIN).
- Your name, address, and social security number (or date of birth if a social security number was not provided).
- The name and social security number (or date of birth if a social security number was not provided) of each individual covered under your SMU medical coverage.
- The months for which you and your spouse and dependent children, as applicable, were enrolled in coverage and entitled to receive benefits.

**8. Is SMU required by the IRS to provide social security numbers for me and my dependents?**

Yes. SMU sent several requests to faculty and staff to enter the social security number (SSN) for a spouse and dependent children enrolled in the SMU medical plan. Instructions for entering dependent SSNs are provided below. If have not entered dependent SSNs in time for distribution of the 1095-C, the date of birth will be provided to the IRS.

- Sign into [my.SMU](#) → Employee Self-Service
- Click Benefits → Dependent/Beneficiary Info
- Click the first name listed, scroll down, and click Edit
- If SSN is not listed for that individual, enter it and click Save
- Scroll down and click Return to Dependent/Beneficiary Summary
- Repeat steps 2-4 for each remaining dependent

**9. When is SMU required to file the return with the IRS?**

The original deadline to file the return was March 31, 2016. On December 28, 2015, the IRS extended the deadline to June 30, 2016.