

Hamilton Headlines



****E-ALERT****

ACA REPORTING AND HRA's

The IRS released final instructions for Forms 1094-B, 1095-B, 1094-C and 1095-C for 2015. The instructions provide new guidance on how HRAs are reported:

On page 3 of the instructions to the Form 1095-B, the IRS indicates:

If an individual is covered by more than one type of minimum essential coverage, reporting is required of only one of the types, if one of the following rules applies.

* If an individual is covered by more than one type of minimum essential coverage provided by the same provider, the provider is required to report only one of the types of coverage.

* A provider of minimum essential coverage generally is not required to report coverage for which an individual is eligible only if the individual is covered by other minimum essential coverage for which reporting is required. (For employer-sponsored coverage, this exception applies only if both types of coverage are under group health plans of the same employer).

Under the first exception, if an individual is covered by a self-insured major medical plan and a health reimbursement arrangement (HRA) provided by the same employer, the employer is the provider of both types of coverage and therefore is required to report the coverage of the individual under only one of the arrangements.

The second exception applies in the following situations.

* An insurance company offering a Medicare or TRICARE supplement for which only individuals enrolled in Medicare or TRICARE are eligible is not required to report coverage under the Medicare or TRICARE supplement.

* A state Medicaid agency is not required to report Medicaid coverage for which only individuals enrolled in other minimum essential coverage, such as employer-sponsored coverage or a qualified health plan, are eligible.

An employer with an insured major medical plan and HRA coverage for which an individual is eligible because the individual enrolls in the insured major medical plan is not required to report the coverage under the HRA for an individual covered by both arrangements.

* An employer with an insured major medical plan and HRA coverage for which an individual is eligible because the individual enrolls in the insured major medical plan is not required to report the coverage under the HRA for an individual covered by both arrangements.

If an individual is covered by an HRA sponsored by one employer and a non-HRA group health plan sponsored by another employer (such as spousal coverage), each employer must report the coverage the employer provides.

On page 11 of the instructions to the Form 1095-C, the IRS indicates:

An ALE Member with a self-insured major medical plan and a health reimbursement arrangement (HRA) is required to report the coverage of an individual enrolled in both types of minimum essential coverage in Part III under only one of the arrangements. An ALE Member with an insured major medical plan and an HRA is not required to report in Part III HRA coverage of an individual if the individual is eligible for the HRA because the individual enrolled in the insured major medical plan. An ALE Member with an HRA must report coverage under the HRA in Part III for any individual who is not enrolled in a major medical plan of the ALE Member (for example if the individual is enrolled in a group health plan of another employer (such as spousal coverage)).

For copies of the instructions with the above sections highlighted, please click on the links below:

[Form 1095-B](#)

[Form 1095-C](#)

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