

# **Best Tax Practices - Affordable Care Act (ACA) Form 1095-C - Understanding Employer-Provided Health Insurance Offer and Coverage**

Employers with 50 or more full-time employees, including full-time equivalent employees, in the previous year use Form 1095-C, Employer-Provided Health Insurance Offer and Coverage, to report the information required about offers of health coverage and enrollment in health coverage for their employees. Form 1095-C is used to report information about each employee.

Employers that offer employer-sponsored self-insured coverage also use Form 1095-C to report information to the IRS and to employees about individuals who have minimum essential coverage under the employer plan and therefore are not liable for the individual shared responsibility payment for the months that they are covered under the plan. An employer must furnish a Form 1095-C to each of its full-time employees by January 31 of the year following the year to which the Form 1095-C relates.

Employers will meet the requirement to furnish Form 1095-C to an employee if the form is properly addressed and mailed on or before the due date. If the regular due date falls on a Saturday, Sunday, or legal holiday, employers may file by the next business day. The Form 1095-C that employers send may include only the last four digits of the employee's social security number, replacing the first five digits with asterisks or Xs.

Forms 1095-C must be sent on paper by mail or hand delivered, unless the employee consents to receive the statement in an electronic format. The consent ensures that the employee can access the electronic statement. If mailed, the statement must be sent to the employee's last known permanent address, or if no permanent address is known, to the employee's temporary address.

Individuals who worked for multiple employers that are required to file Form 1095-C may receive a Form 1095-C from each employer.