

REMINDER

ACA TRANSITIONAL RELIEF FOR MID-SIZED EMPLOYERS ENDS IN 2015

Under the Affordable Care Act (ACA) certain employers are required to offer healthcare coverage to full-time employees or be subject to a penalty by the Internal Revenue Service – commonly called the “Play or Pay” rule – beginning with the 2015 calendar year. The Play or Pay rule applies to employers with at least 50 full-time employees, including full-time equivalent employees (FTEEs).

However, ACA regulations provided temporary transitional relief for mid-sized employers with 50 to 99 full-time employees/FTEEs by delaying the effective date of the Play or Pay rule to 2016.

If you determined that this transition relief applied to your ministry for the 2015 calendar year, we want to remind you that you are required to report eligibility for this transition relief on a 2015 Form 1094-C **AND** you are required to provide a 2015 Form 1095-C to every employee who was full-time (working an average of 30 or more hours per week) for any month in 2015.

Beginning in 2016, all employers with 50 or more full-time employees/FTEEs are subject to the Play or Pay rule and must offer healthcare coverage to at least 95% of their full-time employees (and their dependent children) or be subject to a potential penalty.

Finally, if you are using the working “more than 30 hours” rule for eligibility for Concordia Health Plan coverage, you should change your eligibility rule requirement to “30 or more hours” to avoid potential ACA penalties **AND** you should track employee hours on a monthly basis.