



IRS Form 1095-C Frequently Asked Questions

What is Form 1095-C?

The Affordable Care Act (ACA) includes both the individual mandate and the employer mandate. The individual mandate requires that most Americans have qualifying health coverage or potentially face a fine called a shared responsibility payment. The employer mandate requires large employers to offer qualifying health coverage to their full-time employees or potentially be liable for a shared responsibility payment. Much like the Form W-2 is used to determine whether or not you owe taxes, the IRS will use the information reported from your 1095-C to determine whether you (or your employer) may have to pay a fine for failing to comply with the ACA.

The 1095-C contains information about your health coverage that may be required when you and your dependents complete tax returns. Think of the form as your “proof of insurance” for the IRS. Similar to Form W-2, taxpayers will use the information from 1095-C when completing their federal tax returns. Questions on how to prepare your returns using the information on 1095-C should be directed to a tax professional or the IRS. The State of Rhode Island cannot provide tax preparation advice.

More detailed information on the individual mandate can be found here: www.irs.gov/affordable-care-act/individuals-and-families/individual-shared-responsibility-provision.

When will Form 1095-C be issued?

The State is required to distribute Form 1095-C to all full-time employees, any employee receiving health coverage, and any non-employee primary insureds by March 2, 2017, but the State anticipates issuing and distributing Form 1095-C during February 2017.

Why did I get a 1095-C?

If you were a full-time employee of the State working an average of 30 or more hours per week or were enrolled in health coverage through the State employee health plan (including early retiree and COBRA coverage) at any time during 2016, you will receive a 1095-C. You and your dependents may need this form to complete tax returns for the 2016 tax year.

Why didn't I get a 1095-C?

If you were not full-time (working an average of 30 or more hours per week in any month) and were not enrolled in health coverage through the State employee health plan at any time during 2016, you should not receive a 1095-C. Also, you will not receive a 1095-C if you were not the primary insured. For example, you should not receive a 1095-C if you were listed as a spouse or dependent under another family member's plan.

Will I be fined if I didn't receive a Form 1095-C?

If you or your dependents didn't have qualifying health coverage during the 2016 calendar year and do not qualify for an exemption, you may be subject to a fine (shared responsibility payment) when you file for your 2016 tax return. You can use IRS Form 8965 to find out if you qualify for an exemption. Please visit www.irs.gov/uac/about-form-8965 to learn more about Form 8965. If you need to report a shared responsibility payment for 2016, please follow the instructions provided here: www.irs.gov/affordable-care-act/individuals-and-families/aca-individual-shared-responsibility-provision-calculating-the-payment.

I don't understand Lines 14, 15 or 16 in Part II "Employee Offer of Coverage" of my 1095-C. Do I or my dependents need this information in order to file our 2016 taxes?

No, you and your dependents do not need this information to file your 2016 taxes. This section is how the federal government assesses the State's compliance with the employer mandate. You and your dependents will only need information from Part III "Covered Individuals" in order to complete your 2016 taxes.

What do I do with the information in my 1095-C?

Line 61 of Form 1040 is where you indicate your compliance with the individual mandate. Line 61 requires you to check a box if you, your spouse (if filing jointly), and anyone you can or do claim as a dependent had health coverage under the State employee health plan for at least one day of every month in 2016. If you had qualifying health coverage from another source for some portion of 2016 you should receive an additional form similar to the

1095-C from that other source. If you cannot check the box on Line 61, you must either claim an exemption on Form 8965 or report a shared responsibility payment on Line 61 for each month that you, your spouse (if filing jointly), or someone you can or do claim as a dependent didn't have qualifying health coverage.

For further guidance on completing Line 61 of your Form 1040, please see page 51 of the Form 1040 instructions here: www.irs.gov/pub/irs-pdf/i1040gi.pdf. For more detailed information on the individual mandate, please visit www.irs.gov/affordable-care-act/individuals-and-families/individual-shared-responsibility-provision.

After reviewing the IRS instructions, I believe an item on my Form 1095-C may be incorrect. What do I do?

You may contact the Office of Employee Benefits at (401) 222-3160. Please note that the State of Rhode Island cannot provide tax preparation advice. Therefore, questions directed to the Office of Employee Benefits should only be related to health coverage.

Please note that the amount listed in Line 15 (“Employee Required Contribution”) will not correspond to the actual amount you see deducted from your paycheck on a bi-weekly basis. The amount listed on Line 15 is the monthly cost to you for the lowest-cost self-only coverage that was available to you during 2016. The amount you see deducted from your paycheck is a bi-weekly amount that may also include dental and vision co-shares. Further, you may have elected family coverage and the federal government only wants to know how much it would have cost you to cover yourself.

I misplaced or never received my Form 1095-C, how do I obtain a copy?

You may request another copy by contacting the Office of Employee Benefits at (401) 222-3160.