



DEPARTMENT OF BUDGET & MANAGEMENT

New Forms for Your 2015 Federal Income Tax Filing

When the Affordable Care Act (also known as healthcare reform, or the ACA for short) was passed, it came with a host of reporting requirements for employers and health insurance companies. In late March you may receive one or more new tax forms related to health insurance you may have had or were offered in 2015. Originally, these forms were to have been sent in January, but the IRS extended the release date to March 31. When the IRS extended the release date, it also removed the requirement for you to attach these forms to your 2015 tax filing.

Please keep in mind that while we know what form or forms we will be sending, you may receive others if you worked for another employer earlier in the year or are enrolled in our Kaiser IHM plan. Therefore, we will explain the form (or forms) you might receive, why you might receive them, and what you will do with the information they contain.

Form 1095-B

Why will I receive it?

If you receive this form, it is because you were:

- An employee who received health coverage from an employer-provided, fully-insured plan, a union-based plan, or certain other plans (including Medicare or Medicaid) for at least a day in 2015. For State of Maryland participants the only fully insured plan is the Kaiser IHM plan offered under the State Employee and Retiree Health and Welfare Benefits Program (the Program). Or
• A nonemployee (for example, a retiree, contractor, or COBRA recipient) who received health coverage under a type of employer-provided plan called a "self-insured plan" (these are plans under which claims are paid from employer funds and, typically, employee contributions) for at least a day in 2015. For State of Maryland participants these plans include all CareFirst and United Healthcare plans offered under the Program, including SLEOLA plans.

How will I use this information? You or your tax preparer will enter information contained on this form on your federal tax return for 2015 to demonstrate that you satisfied the ACA's obligation to have health





DEPARTMENT OF BUDGET & MANAGEMENT

insurance. It is not necessary, this year, to wait until you receive either of these forms to file your income taxes. For your 2016 tax filing in 2017, you may be asked to wait until you receive the form(s) before filing your taxes.

Form 1095-C

If you receive this form, it is because you:

- Were considered "full time" for ACA purposes for at least part of 2015.
Or
• Were covered for at least a day in 2015 under an employer-provided self-insured plan.

Form 1095-C, Parts I and II

If you were considered full-time for ACA purposes for at least part of 2015, these two parts of

Form 1095-C will be completed on your behalf, regardless of the type of health plan under which you were covered, or regardless of whether you had or were offered any coverage at all. Full-time for the purposes of ACA means you worked 30 or more hours per week or worked an average of 130 hours per month. Contractual, temporary, variable hour, and adjunct faculty are examples of employee types who may have been considered full-time, in addition to those whose normal work week is 40 hours.

Form 1095-C, Part III

If your health insurance was through an employer-provided, self-insured plan, Part III will be completed on your behalf. (If you are enrolled in the Kaiser IHM plan this part will be left blank, and you will receive a 1095-B from Kaiser.)

How will I use this information? For filing your 2015 taxes, you will keep this information with your other tax records. When you file your 2016 taxes, you may be asked to include the forms you receive in early 2017.

Further questions? Please contact the Employee Benefits Division at either EBD.mail@maryland.gov or 410.767.4775.

The IRS will receive copies of any Forms 1095-B or 1095-C provided to you so it can verify the health insurance information you report on your tax return.

