



PIPE TRADES SERVICES MN

HEALTH & PENSION FUNDS

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To: All PTSMN Contributing Employers

RE: Employer Shared Responsibility Reporting under the Affordable Care Act (ACA) – Form 1095-C

The Pipe Trades Services MN Welfare Plan (“Plan”) is receiving questions related to the Affordable Care Act’s Employer Shared Responsibility reporting requirements; specifically the information needed for contributing employers to complete IRS Form 1095-C (“Form”) This letter provides the information you should need from the Plan to fulfill your reporting obligation for bargaining unit employees on whose behalf you contribute to this Plan.

Are you responsible for reporting?

First, your company is only required to complete the Form if you are an Applicable Large Employer (“ALE”), which essentially means that you have 100 or more full time (or equivalent) employees in 2015, and 50 full time or equivalent employees in 2016 and later. * ALE status may also be imposed upon you if your company can be aggregated with other employers, even if you do not have 50 employees.** If you are not an ALE you do not have to complete the Form.

Second, you only use the Form to report full time employees; those who work 130 or more hours in a month. You must report coverage for each full time employee for each month in which they are a full time employee.

Completing Form 1095-C for Employees Covered by the Plan:

Contributions to this multiemployer Plan are deemed to be an offer of coverage to the employee (because coverage under the Plan is “affordable” and provides at least “minimum value” under the ACA rules, regardless of whether the employee becomes eligible in the Plan). However, you must complete and file a Form 1095-C only for each full time employee.

For each bargaining unit employee on whose behalf you contributed to the Plan, you must enter the following on Form 1095-C for each month the employee was full time:

- *Line 14* – enter code “1H” indicating that the Plan, not you, offered coverage;
- *Line 16* – enter code “2E” indicating that your contribution to the Plan for that employee is deemed to be an offer of coverage.
- Do not complete Section III of the Form for employees for whom you contribute to the Plan.

Further Questions

The Plan cannot give legal or tax advice. The information in this letter is only applicable to your reporting obligations related to contributions to this multiemployer Plan for bargaining unit employees. For further assistance in fulfilling your reporting obligation, please contact your legal counsel or accountant, or see <http://www.irs.gov/uac/About-Form-1095-C>

The IRS is continuously releasing updated guidance about these reporting requirements. Guidance issued after the date of this letter may change or supersede this letter.

*For assistance in determining ALE status, see the definitions of full time employees and full time equivalent employees in the 2015 Instructions for Forms 1094-C and 1095-C available at www.IRS.gov

**See the definitions of “Aggregated ALE Group” and “ALE Member” in the instructions.

We have received the following questions from some of our contributing employers and thought this additional Information might also be helpful

ACA Requirement	Yes or No	Comments
Employees working at least 30 hours per week (or 130 hours per month) are offered medical insurance coverage	Yes	Collectively bargained employees with contributions to a multi-employer plan are deemed to be offered coverage, under the multiemployer plan transitional rule. The only employees subject to the ACA Employer Responsibility mandate are those working at least 30 hours a week/130 hours a month. There is not a requirement they ever achieve coverage under the rule.
Employees are offered medical insurance coverage that is effective no more than 90 days after date of hire	Yes	If they are full time they will achieve coverage in less than 90 days
Employee contributions for self-only coverage are \$95 or less per month. If multiple plans are offered only one plan needs to meet the threshold	Yes	The employee contribution is \$0.00
Employees are offered a medical plan that meets minimum value requirements, that is, it pays at least 60 percent of the cost of benefits	Yes	
An employee’s eligible dependents are allowed to participate in the medical plan	Yes	With the exception of a very limited group of employees with the classification of “Helper”, which provides employee only coverage
An employee’s eligible spouse is allowed to participate in the medical plan	Yes	Yes with the same limited exception as listed above
Employees have an opportunity to enroll in coverage at least once per year	Yes	The coverage for a full time employee is continuous, and because there is not an opt-out from coverage, they remain enrolled with no separate annual enrollment other than for the selection of deductible levels

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