

1095 Form Reporting Requirements for 2022 Tax Year

Frequently Asked Questions

Important: The following information is intended to be a high-level summary of one of the provisions of the Affordable Care Act (ACA). Optima Health is providing this to consumers and employers for informational purposes only. The information in this document is not intended to provide compliance, tax, or legal advice, or to be relied upon for these purposes. Consumers and employers should be advised to consult with legal and tax experts to understand how the law will affect their individual or business circumstances.

1. Why do we have to report insurance information to the IRS?

The employer mandate imposes penalties on companies or businesses with 51 or more employees who either do not provide employee health insurance coverage at all, or provide health insurance that is deemed unaffordable or does not provide adequate coverage, under ACA regulations.

In addition, the [Individual Shared Responsibility Provision](#) requires taxpayers to do at least one of the following:

- have qualifying health coverage (called minimum essential coverage),
- qualify for a health coverage exemption, or
- make a shared responsibility payment with their federal tax return for the months that they were without coverage or exemption (this was reduced to \$0 beginning with the 2019 tax year).

The 1095 A, B, and C forms provide the IRS proof of affordable insurance coverage for the individual and the employer, as applicable. This form is filed annually with individuals' tax returns and serves as their proof of coverage. Health insurance carriers and certain employers are required to file these forms, along with a 1094 transmittal, to the IRS as well.

2. When do the forms have to be filed?

For the 2022 tax year, the forms must be postmarked and mailed to individuals by March 2, 2023 (extended from January 31, 2023). Filing deadline to the IRS is February 28, 2023 if submitting paper files, or March 31, 2023 if submitting electronic files. Health insurance issuers or carriers filing more than 250 forms must file electronically. For information on how to file electronic forms with the IRS, please visit [Affordable Care Act Information Returns \(AIR\)](#) on the IRS website.

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3. Where can I find the forms and instructions?

The IRS has all the forms and instructions available on their website at <http://www.irs.gov>.

4. I have an Individual & Family plan with Optima Health. What can I expect?

If you are the subscriber or primary member of your health insurance plan, you will receive a 1095 form that contains insurance information for every person covered under your plan, normally postmarked by January 31 for the previous tax year. An extension was granted for the 2022 tax year, so insurers and employers have until March 2, 2023 to send you a 1095 form.

If you purchased coverage through the Health Insurance Marketplace, the Marketplace will send you a 1095-A form. If you purchased your coverage directly through Optima Health, then Optima Health will send you a 1095-B form. You will need this form to answer certain questions when you file your taxes, to prove that you have health insurance coverage.

5. I have a small business with fewer than 50 employees and have Optima Health fully insured group insurance. Is there anything I need to provide the IRS or my employees?

No. As a fully insured small group, you are not subject to the employer mandate. Therefore, you are not required to submit information about the kind of health insurance coverage you offer on behalf of your business.

However, your employees are required to abide by the Individual Shared Responsibility Provision and must submit the 1095-B form when they file their taxes. Since you are a fully insured group, Optima Health is responsible for sending your employees their 1095-B form by the postmark deadline March 2, 2023 for the 2022 tax year.

6. My business has fewer than 50 employees but we are on a self-funded group insurance plan. Is there anything I need to provide the IRS or my employees?

Yes. As a self-funded group, you are the issuer of your health plan and are responsible for submitting the forms to the IRS and to your employees. Since you are also a small group and are not subject to the employer mandate, you are required to give your employees the 1095-B form. The IRS requires you send the 1094-B transmittal along with the 1095-B form for every employee.

As your third-party administrator, Optima Health will provide a data file that will contain all the fields in the 1095-B and relevant information for each of your employees and dependents who were covered by the group health plan for at least one day during the tax year. We will supply a comma delimited text file format that can easily be imported into Excel, Access, SQL, or various other tools.

The final file will be available in January, once the information for the entire year is finalized. The file is accessible via the Report to Web (R2W) section in the secure employer portal on optimahealth.com.

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7. My company has more than 50 employees and we are on a fully insured group plan. Is there anything I need to provide the IRS or my employees?

Since you are fully insured, Optima Health is required to produce, print, and mail the 1095-B form directly to your employees and also submit the forms to the IRS by the deadline dates.

However, according to ACA guidelines, groups with 50 or more employees are subject to the employer mandate. This means that you will have to submit the 1095-C form to provide proof of affordable coverage or be subject to penalty. Fully insured groups are required to fill out Sections I and II of 1095-C only, and submit to both the employee and the IRS by the filing deadline. Large group employers must include the 1094-C transmittal form when submitting their 1095-C forms to the IRS.

8. Will Optima Health provide fully insured employers copies of the 1095-B form it is sending to their employees?

No. The IRS does not require insurers to provide copies of the 1095-B form to its employer groups. In addition, the form contains personal information about spouses and dependents who are not employees of the company; as the carrier, we are obligated to protect the privacy of all our members.

If any employees have questions about the 1095-B form or believe there is an error in the information, please ask them to contact Optima Health member services at the number on the back of their member ID card.

9. We are a self-funded group with more than 50 employees. What do I need to provide to the IRS and our employees?

Self-funded groups with 50 or more employees must provide their employees with form 1095-C for the previous tax year by the March 2, 2023 for the 2022 tax year. In addition, the 1095-B transmittal and the copies of each 1095-C form must be submitted to the IRS by the filing deadline. If your group has more than 250 forms, they must be submitted electronically.

To help self-funded large group employers prepare the forms for their employees and the IRS, Optima Health will provide the member data to help complete Section III of form 1095-C. We will supply a comma delimited text file format that can easily be imported into Excel, Access, SQL, or various other tools.

The final file will be available in January, once the information for the entire year is finalized.

10. What happens if the information Optima Health submits on any of the forms or provides in the data files is wrong or incomplete?

Individual members should contact member services at the number on the back of their member ID card if there are any discrepancies in the information on the 1095-B form, or if they have any questions.

If any of the information on the data files provided to self-funded groups is incorrect, incomplete, or missing, please report this immediately to your Optima Health representative.

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11. Are there companies or vendors that can help my business file the forms for my employees and the IRS?

Yes. In addition to your tax preparer, there are a number of companies that can help you in a few easy steps to determine which forms are applicable to your group and where they need to be submitted. These companies can assist in furnishing the 1095 form to your employees and/or filing with the IRS. Below are some companies that may be able to help you. Please note that Optima Health neither partnered with nor is affiliated with any of these companies. We are providing this information solely as a courtesy.

- [AATRIX eFile](#)
- [ACA Reporting Service](#)
- [ACA Track](#)
- [Greatland](#)
- [Health e\(fx\)](#)