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Special Points of Interest in 2016:

- ACA Forms
Information
- Small Business News:



- California's
Minimum Wage
- New ACA
Guidance
- Bank Better with
BANKWELL

Client of the Month:
**Greater New
Haven Chamber
of Commerce**

I love people who can
make me laugh, when I
don't even want to
smile!

Unknown

NEPS Payroll Newsletter



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Q&A's on ACA Information Forms for Employees

What are the health care tax forms that employees might receive?

Employees may receive one or more forms providing information about the health care coverage they had or were offered during the previous year, including:

- **Form 1095-B**, which is furnished by health insurance companies, small self-insuring employers, and other providers of minimum essential health coverage.
- **Form 1095-C**, which is provided by **applicable large employers** (ALEs)--generally those with 50 or more full-time employees, including full-time equivalent employees. Individuals that enrolled in coverage through the Health Insurance Marketplace will receive Form 1095-A.

Should these forms be attached to individual income tax returns?

No. Although employees may use the information on the forms to help complete their tax returns, these forms should not be attached or sent to the IRS. The issuers of the forms (e.g., employers or health insurance companies) are required to send the information to the IRS separately. Employees should keep the forms for their records along with other important tax documents.

Can employees file their tax returns if they have not received these forms?

Yes. Employees should not wait for either Form 1095-B or 1095-C to file their individual income tax returns. Other forms of documentation that may assist in reporting health coverage include insurance cards, explanations of benefits, and Forms W-2 reflecting health insurance deductions. (Employees enrolled in Health Insurance Marketplace coverage will need the information on Form 1095-A to file a complete and accurate tax return.)

California Increases Minimum Wage to \$15

Both the California State Assembly and State Senate passed the measure on Thursday afternoon. Governor Jerry Brown said he would sign it on Monday, April 4th, 2016.

"No one who is working full time in California should live in poverty due to a low wage," said Democratic State Senator Mark Leno, who cosponsored the bill.

The measure will raise the state's minimum wage to \$10.50 in January and to \$11 in January 2018. It will then increase by an additional \$1 per hour every year until it reaches \$15 in 2022. If, however, the state goes through an economic downturn or budget crisis, the governor may choose to slow the implementation.

The final bill gives small businesses, with 25 or fewer employees, an extra year to implement the increases.



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CNN

New ACA Guidance and 2017 Limits

New ACA Guidance on SBC Templates/Cost-Sharing Limits/ Extended Transition Relief for Existing Coverage

Implementation Date for Using New Proposed SBC Template

A [new FAQ](#) regarding the applicable date for using the new proposed summary of benefits and coverage (SBC) template and associated documents provides the following expected implementation dates:

- Health plans and issuers that **maintain an annual open enrollment period** will be required to use the new SBC template and associated documents beginning **on the first day of the first open enrollment period that begins on or after 4/1/17** with respect to coverage for plan years beginning on or after that date.

Health plans & issuers that **do not use an annual open enrollment period**, use of the new proposed SBC template & associated documents would be required beginning **on the 1st day of the 1st plan year that begins on or after 4/1/17**.

2017 Cost-Sharing Limits Released

New guidance from the U.S. Department of Health and Human Services updates the limit on annual out-of-pocket cost-sharing for coverage of essential health benefits by non-grandfathered group health plans. For 2017, annual out-of-pocket expenses may not exceed \$7,150 for self-only coverage or \$14,300 for family coverage.

Small Businesses May Be Able to Keep Existing Health Coverage Through Policy Years Beginning On or Before October 1, 2017

A previously extended transitional policy which allows health insurance issuers, at their option, to continue small business group coverage that would otherwise be terminated or cancelled has been extended further--to policy years beginning on or before October 1, 2017, provided that all policies end by December 31, 2017. Health insurance issuers that renew coverage under the extended policy are required to provide standard notices to affected small businesses for each policy year.



Client of the Month:
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