

RECOMMENDED COMPLETION SEQUENCE FOR IRS FORMS 1095-C

This list provides a sequence employers can follow, at their discretion, to help facilitate ACA employer reporting to the IRS. The recommended sequence allows employers to separate current-Full Time (FT) and former-FT employees into different groups, and then execute IRS reporting by completing the simplest forms first, all the way through the most-challenging. Many employers have found this recommended sequence to be favorable over completing forms in alphabetical order, job class, or any other sequence.

Applicable Large Employers (ALEs) can conduct IRS reporting in any sequence they prefer. The IRS requires ALEs to complete and submit one IRS Form 1094-C (transmittal form), and separate IRS Forms 1095-C for any person employed FT for at least one full calendar month of the reporting year.

IRS Form 1095-C: Part I

- 1) IRS Form 1095-C (Part I): Data Entry for all employees – Be sure you complete a form for each employee or former employee who worked FT at least one month in 2021.

IRS Form 1095-C: Part II

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| 2) <input type="checkbox"/> IRS Form 1095-C (Part II): For all ongoing FT employees who enrolled and were covered for all 12 months of 2021 | 7) <input type="checkbox"/> IRS Form 1095-C (Part II): For employees who went from PT to FT in 2021 and enrolled on the plan after completing the waiting period |
| 3) <input type="checkbox"/> IRS Form 1095-C (Part II): For all ongoing FT employees who waived coverage for all 12 months of 2021 | 8) <input type="checkbox"/> IRS Form 1095-C (Part II): For employees who went from PT to FT in 2021 and waived the coverage offered to them |
| 4) <input type="checkbox"/> IRS Form 1095-C (Part II): For all current FT employees hired in 2021, who enrolled on the plan after completion of the waiting period | 9) <input type="checkbox"/> IRS Form 1095-C (Part II): For former employees who were offered COBRA because they were previously covered as a FT employee for at least one month in 2021 |
| 5) <input type="checkbox"/> IRS Form 1095-C (Part II): For all current FT employees hired in 2021, who waived the coverage offered to them | 10) <input type="checkbox"/> IRS Form 1095-C (Part II): For seasonal/temporary employees that worked FT at least one month in 2021 but were not offered coverage because they were in their look-back measurement period for determining their status as either PT or FT. Code 2D on line #16 indicates the employee was in a Limited Non-Assessment Period (orientation period, waiting period, look-back measurement period). |
| 6) <input type="checkbox"/> IRS Form 1095-C (Part II): For current PT employees who were offered COBRA (due to a <i>reduction of hours</i>) because they were previously covered as a FT employee for at least one month in 2021 | |

IRS Form 1095-C: Part III

- 11) IRS Form 1095-C (Part III): Only ALEs with self-insured plans must complete Part III form 1095-C