

# Brief Notes

News for  
Brokers and Consultants

**January 21, 2016**

**Applies to:** All Markets, excluding Medicare

## **Form 1095-B and Health Coverage Information**

Under the Affordable Care Act (ACA), individuals are required to verify on their federal income tax return that they, and their spouse and/or individuals they claim as dependents, had qualifying health coverage (referred to as “minimum essential coverage”) during the tax year. For any month during the year that the individual or any dependent does not have minimum essential coverage, and does not qualify for a coverage exemption, the individual will need to pay a penalty known as the “individual shared responsibility payment” to the federal government. Individuals must verify their qualifying health coverage or report their shared responsibility payment on line 61 of Form 1040, line 38 of Form 1040A, or line 11 of Form 1040EZ.

### **What is Form 1095-B?**

Members will receive Form 1095-B because either they bought their coverage directly from Horizon Blue Cross Blue Shield of New Jersey and not through **Healthcare.gov**\* OR they have Horizon BCBSNJ coverage through their fully-insured employer. Our fully-insured members will receive Form 1095-B on or around **February 1, 2016**. *A sample of the letter is attached.*

Form 1095-B provides information about their Horizon BCBSNJ health insurance coverage to help them properly prepare their tax return for the Internal Revenue Service (IRS). Form 1095-B includes the following information for our members and, if applicable, their covered dependents:

- Name(s)
- Last four digits of the Social Security Number(s) (SSN)
- Date(s) of birth (if SSN not available)
- Months of health insurance coverage with Horizon BCBSNJ from January 1, 2015 through December 31, 2015

Form 1095-B is informational and is issued to help our members in complying with their responsibilities under the ACA; it does not need to be attached to their federal income tax return.

*(Continues)*



Horizon BCBSNJ will report to the IRS the months that the fully-insured member and their covered dependents had qualifying health coverage through Horizon BCBSNJ. Horizon BCBSNJ can only provide our members with the months that they and their qualified dependents had fully-insured Horizon BCBSNJ coverage. If a member had coverage through a different employer or insurer, they will receive a form from that employer or insurer. If a member bought their coverage through the Health Insurance Marketplace, they will receive Form 1095-A from the Centers for Medicare & Medicaid Services (CMS).

### **Data information for self-insured groups**

The IRS also issued final regulations clarifying that self-insured group health plans themselves are responsible for the reporting obligations under the ACA. As a result, Horizon BCBSNJ will not provide the IRS with the months of qualifying insurance on behalf of its clients with self-insured plans. However, Horizon BCBSNJ may provide, upon request from the group to their Account Manager, a data file containing limited information that may be used in completing the required reporting. Details about requesting a file was sent in a Broker Brief and Group email on October 13, 2015.

This information should not be construed as tax or legal advice. Questions your clients or their employees may have about their specific circumstances should be referred to their tax or legal professional.

If you have questions, please contact your Horizon BCBSNJ sales executive or account manager.

**Re: Form 1095-B – Important Health Coverage Information for Your 2015 Taxes**

Dear Valued Member:

Under the Affordable Care Act (ACA), you are required to verify on your federal income tax return that you, and your spouse and/or individuals you claim as dependents, had qualifying health coverage (referred to as “minimum essential coverage”) for some or all months during the tax year. Individuals who did not have minimum essential coverage and do not qualify for an exemption may have to pay a penalty known as the “individual shared responsibility payment.” You must verify your qualifying health coverage or report your shared responsibility payment on line 61 of Form 1040, line 38 of Form 1040A, or line 11 of Form 1040EZ.

**What is Form 1095-B?**

The enclosed **Form 1095-B** provides information about your Horizon Blue Cross Blue Shield of New Jersey health insurance coverage to help you properly prepare your tax return for the Internal Revenue Service (IRS). **Form 1095-B** reports the names, addresses and Social Security Numbers (SSNs) of individuals covered under a fully insured health plan and the number of months each member had coverage from January 1, 2015 through December 31, 2015. *You do not need to attach Form 1095-B to your federal income tax return.*

**Why are You Receiving this Form?**

You are receiving **Form 1095-B** because either you bought your coverage directly from Horizon BCBSNJ and not through **Healthcare.gov\*** OR you have Horizon BCBSNJ coverage through your employer. **Form 1095-B** includes the following information for you and, if applicable, your covered dependents:

- Name(s)
- Last four digits of the SSNs
- Date(s) of birth (if SSNs not available)
- Months of health insurance coverage with Horizon BCBSNJ

If you had Horizon BCBSNJ coverage through your employer during the tax year, see the *Employer-Sponsored Coverage* section (Part II) for information about your employer-sponsored coverage in 2015. Part III, *Issuer or Other Coverage Provider*, reports information about Horizon BCBSNJ.

Horizon BCBSNJ will report to the IRS the months that you and your covered dependents had qualifying health coverage through Horizon BCBSNJ. Horizon BCBSNJ can only provide you with the months that you and your qualified dependents had Horizon BCBSNJ coverage.

**What You Need to Do**

- Talk to your tax professional for information on how to complete your tax return.
- Review the information contained in Form 1095-B for accuracy.
- If your information is incorrect, please call Member Services at the number on the back of your member ID card.
- You do not need to attach Form 1095-B to your federal income tax return.

**For More Information**

For more information about the shared responsibility payment under the ACA, visit [irs.gov/Affordable-Care-Act/Individuals-and-Families/Individual-Shared-Responsibility-Provision](http://irs.gov/Affordable-Care-Act/Individuals-and-Families/Individual-Shared-Responsibility-Provision). You may also visit [HorizonBlue.com/FAQs](http://HorizonBlue.com/FAQs) and click the *Social Security Number Solicitation and Reporting* link on the left side of the page. Horizon BCBSNJ cannot provide tax advice; if you need help, please contact your tax advisor or consult the IRS with specific questions.

Sincerely,



William Wolfe  
Director  
Billing, Enrollment and Account Installation

Enclosure

\* If you or another family member received health insurance coverage through the Health Insurance Marketplace (also known as the Exchange), that coverage will be reported on Form 1095-A, not Form 1095-B.