SECTION 6056 REPORTING CODE DESCRIPTIONS FOR THE 1095-C

Use this guide to aid in completing Form 1095-C. Most commonly used codes are bolded and shaded.

PART II, LINE 14

"What medical benefit did you offer the employee?"

Code	Description
1A	A plan meeting the "minimum value" requirements was offered to this full-time employee with employee contribution for self-only coverage equal to or less $93.18/month (in 2015) and at least minimum essential coverage was offered to this employee's spouse and dependent children. You will use this code if using the Federal Poverty Level Affordability Safe Harbor for this particular employee in addition to the above requirements. This is also known as the "qualifying offer".
1B	A plan meeting the "minimum value" requirements was offered to this full-time employee only, but not to this employee's spouse or dependent children. It's rare, but some companies do not allow any dependents to enroll on the plan. This would be the code companies that do not allow dependents to enroll in the plan would use.
1C	A plan meeting the "minimum value" requirements was offered to this full-time employee and at least minimum essential coverage was offered to this employee's dependent children, but not to this employee's spouse. This code would be used for most spousal carve-out plans if coverage is not offered to the employee's spouse.
1D	A plan meeting the "minimum value" requirements was offered to this full-time employee and at least minimum essential coverage was offered to this employee's spouse, but not to this employee's dependent children. This one would be very, very rare.
1E	A plan meeting the "minimum value" requirements was offered to this full-time employee and at least minimum essential coverage was offered to both this employee's dependent children and spouse. This will be the most frequently used code. So if the company is not planning to use the Federal Poverty Level Safe Harbor and offered coverage to this full-time employee and their family members, this would be the correct code.
1F	Minimum essential coverage NOT providing minimum value offered to employee, employee and spouse and/or employee, spouse and dependent children. This could be a "skinny" or "mini" health plan that meets the threshold for minimum essential coverage, but not for minimum value.
1G	An offer of coverage was made to this employee who was not a full-time employee for any month of the calendar year and who enrolled in self-insured coverage for one or more months of the calendar year. You would only use this code if the company sponsors a self-funded plan and allows a part-time or non-employee to enroll, so this one is rare. This code should always be placed in the "all 12 months" box if selected.
1H	This employee received no offer of health coverage. Or, this employee received an offer of health coverage that fails to meet minimum essential coverage requirements. This code is used for any month that the employee did not work for you or when the employee was in their waiting period.
1I	Qualifying Offer Transition Relief 2015: This employee (and spouse or dependents) received no offer of coverage, received an offer that is not a qualifying offer, or received a qualifying offer for less than 12 months.

PART II, LINE 15

"How much did the offer cost the employee?"

Complete line 15 *only* if code 1B, 1C, 1D, or 1E is entered on line 14 either in the "All 12 Months" box or in any of the monthly boxes. You do not report the actual amount the employee paid for coverage. Rather, it is asking for the employee share of the monthly premium for the lowest cost, self-only minimum value coverage. It's possible the employee selected a more expensive plan or opted to cover dependents, so only report the amount it would have cost the employee if they had selected "employee-only" coverage for your least expensive plan option that meets the minimum value requirements.

PART II, LINE 16

"What did the employee do when the offer was made?" *OR* "Why was the offer not made?"

Code	Description
2A	This employee was not employed on any day of the calendar month. Do not use this code if they were employed on any day in the month. For example, if the employee only worked a partial month because this was the month in which they were hired or terminated, do not use this code. This code will most commonly be used for new hires and employees terminated during the calendar year.
2B	The employee is not a full-time employee for the month and did not enroll in minimum essential coverage, if offered for the month. This is also the code to use if an employee terminates in the middle of the month and coverage is not extended through the end of the month. Also, use this code for January 2015 if the employee was offered health coverage no later than the first day of the first payroll period that begins in January 2015 and the coverage offered was affordable and provided minimum value. This does not apply to employees who are in their waiting period or measurement period.
2C	This employee was enrolled in the employer's plan every day of this calendar month. Whether the spouse or dependents are enrolled has no effect on this code. This code will be the most common and if this code applies to the employee, it should supersede any other code that may also apply for this line.
2D	Enter code 2D for any month during which an employee is in a Limited Non-Assessment Period, such as a waiting period or measurement period.
2E	Enter code 2E for any month for which the multiemployer interim guidance applies for that employee.
2F	The employer used the W-2 Affordability Safe Harbor for this employee for the year. If an employer uses this safe harbor for an employee, it must be used for all months of the calendar year for which the employee is offered health coverage. This code is most commonly used when an eligible employee waives coverage and the employer uses the W-2 Affordability Safe Harbor.
2G	The employer used the Federal Poverty Level Affordability Safe Harbor for this employee for any month(s). This code is most commonly used when an eligible employee waives coverage and the employer uses the Federal Poverty Level Safe Harbor. This code generally is used in conjunction with Code 1A in Line 14.
2H	The employer used the Rate of Pay Affordability Safe Harbor for this employee for any month(s). This code is most commonly used when an eligible employee waives coverage and the employer uses the Rate of Pay Affordability Safe Harbor.
2I	No offer was made to the employee for these months because the employer is using the non-calendar year transitional relief.

EXAMPLES

Part-Time Employees

For part-time employees, you need not complete, distribute or file a 1095-C unless the employee averaged 130 or more hours in one month of the year. So you don't even have to worry about codes for part-time ineligible employees unless they have one or more months in which they worked 130 or more hours. Let's assume that's the case and the employee did have one month in which they exceeded 130 hours. Here are the correct codes:

- Line 14 - **1H**; Line 15 - **blank**; Line 16 - **2B**

Full Time Employees Waiving Coverage

Assuming you have a health plan that meets minimum value requirements, when an eligible (generally full-time) employee opts to waive coverage, the correct codes are:

- Line 14 - **1A** (if using the federal poverty level affordability safe harbor) or **1E** (if not using federal poverty level safe harbor)
- Line 15 - If used **1A** above, **leave blank**. If used **1E** above complete with the amount the employee would have paid if they had enrolled in employee only coverage for the lowest cost plan that meets minimum essential coverage requirements.
- Line 16 - **2F, 2G, OR 2H** depending on which of the three affordability safe harbors you used for this employee. (If you did not meet one of the three safe harbors, leave line 16 blank. Leaving line 16 blank is not ideal because if the employee's household income is below a certain level and the employee shopped in the Marketplace for coverage and received a federal premium subsidy, your organization will be subject to the "B Penalty" attributable to this employee.)

COBRA Coverage (assuming your health plan is fully-funded, not self-insured):

When a former full time employee is separated and offered COBRA, if their benefits terminate mid-month (rather than the last day of the month) regardless of whether they accept or decline COBRA, the following codes should be used:

- Line 14 - **1H** (beginning the month the individual separates)
- Line 15 - **blank**
- Line 16 - **2B** (month of separation) and then **2A** (remainder of months in year)

When a former full time employee is separated and offered COBRA, if their benefits carry through the end of the month of separation, regardless of whether they accept or decline COBRA, the following codes should be used:

- Part II, Line 14 - Enter applicable code for termination month (generally **1A** or **1E**), after the separation month change to code **1H**
- Part II, Line 15 - Enter amount if code **1E** is used, after separation month, leave blank for rest of year
- Part II, Line 16 - **2C** for the month of separation and then **2A** (remainder of months in year)