

## **Information about Form 1095-C and Why You Have Received the Form**

Per the Affordable Care Act (ACA), the Town of Needham is required to furnish employees with the enclosed IRS Form 1095-C. The form provides information about the healthcare coverage that you had or were offered during calendar year 2015. Similar to the Form W-2 and Form 1099, which include information about the income you received, the healthcare form provides information that you may need to prepare your Federal income tax return. Also like Forms W-2 and 1099, the Form 1095-C must be provided to the IRS by the Town. In most cases for the 2015 Federal income tax filing, you do not need to wait to receive the Form 1095-C in order to file your 2015 Federal income tax return. Please read below for important details about the Form. Please consult with a tax professional on how information contained on the 1095-C form may impact your personal tax situation.

**What is this Form 1095-C?** This is a new tax form that is required to be provided to you per the Federal laws regarding health care that were adopted as part of the Affordable Care Act (ACA). The Town of Needham must provide information about your healthcare insurance coverage (and the healthcare coverage of your dependents) with the Town in calendar year 2015. **It is very important that you review the Form now to make sure that the information about any dependents listed is correct. If any information is not correct or seems unclear, you must contact the Town's Human Resources Department immediately.**

**Who will receive Form 1095-C?** All Full Time and Benefits Eligible employees will receive this form. It serves as a "proof of insurance statement" that shows whether you were properly covered while with the Town.

**What should I do with this Form 1095-C?** You may need information from the Form 1095-C to help complete your Federal income tax return and the form should be kept with your other tax records. If you were offered coverage through another plan/employer you may receive more than one Form 1095. The information on Form 1095-C provides information to assist you in preparing your Federal income tax return, if you had 12 months of health insurance coverage with the Town, you would only need to check one box on the tax return.

**When is Form 1095-C information needed?** If you have had a gap in coverage of three months or more in calendar year 2015 and need to apply for an exemption from the individual mandate penalty or if you enrolled in health coverage through the Public Exchange with a premium tax credit.

**Do I need to include the form 1095-C with my tax return?** No, Form 1095-C, unlike a W2, does not need to be attached to your Federal tax return for 2015 or sent to the IRS; however, you should keep the Form with your tax records.

**Where can I get more information about Form 1095?** You can find more information from the IRS website: <https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Understanding-Form-1095C>.

**Who can I contact at the Town if I have questions?** You may contact the Town of Needham Human Resource office if you have any questions regarding the information on Form 1095-C at **781-455-7500 extension 295**.

**MORE INFORMATION IS ON THE REVERSE SIDE**

**What do the alphanumeric codes shown on the form mean?** A summary of the most common codes is shown below with more detailed information about all the codes can be found by signing into the Town's employee portal.

**1095-C Form - Line 14**

<b>1E</b>	Minimum essential coverage providing minimum value offered to employee and at least minimum essential coverage offered to dependent(s) and spouse.
<b>1H</b>	Means that the employee was not offered health insurance coverage which likely means the employee did not work that month or did not meet the minimum requirement to be offered health insurance.

**1095-C Form - Line 16**

<b>2A</b>	Means that the employee was not employed during the month.
<b>2B</b>	Means that the employee was not eligible to be enrolled in a Town health insurance plan.
<b>2C</b>	Means that the employee was enrolled in a Town offered health insurance plan.
<b>2F</b>	Means that the employee declined health insurance coverage through the Town.

*Note for Massachusetts residents. If you are a Massachusetts resident, this form doesn't replace the MA 1099-HC. You will still need the 1099-HC for your state tax return.*