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Reporting Offers of Coverage to COBRA Qualified Beneficiaries and Non-Employees using Form 1095-C

As part of its guidance on Form 1095-C reporting, the IRS has instructions on how applicable large employers (i.e., employers with 50 or more full-time and full-time equivalent employees) should report offers of COBRA continuation coverage. To assist applicable large employers in determining how to report on COBRA coverage and other continuation coverage (as required under state or federal law that is similar to COBRA coverage), we created the charts below. Additionally, we include several examples and generated sample Forms 1095-C, Parts II and III to illustrate how the guidance is applied.

How to Report an Offer of COBRA Coverage to a Full-Time Employee who is Terminated during the Calendar Year

	Form	Comments
If terminated employment before the end of the month and non-COBRA coverage (or offer of coverage) is extended to the end of the month in which the termination of employment occurred.	Form 1095-C, Part II, line 14 enter Code 1E for the month of termination. Form 1095-C, Part II, line 15 enter the employee contribution for the lowest-cost self-only coverage providing minimum value. Form 1095-C, Part II, line 16 enter Code 2C.	Treat as active and enter appropriate codes in lines 14, 15, and 16.
If terminated employment before the end of the month and the coverage (or offer of coverage) expires upon	Form 1095-C, Part II, line 14 enter Code 1H for the month of termination. Do not enter any amount on Form 1095-C, Part II, line 15 for the month of termination.	Under Part II of Form 1095-C, an employee is offered coverage for the month only if that offer would provide coverage for <u>all</u> days of the calendar month. Section 4980H relief may apply.



Form	Comments
<p>termination of employment</p>	<p>Form 1095-C, line 16, enter Code 2B for that month if offer of coverage (or coverage) would have continued without termination of employment.</p> <p>If self-insured, complete Form 1095-C, Part III for all enrolled individuals and in column (e) check applicable months in which the individual was covered for at least one day.</p>
<p>If terminated employment (and consequently coverage) on the last day of the month</p>	<p>Form 1095-C, Part II, line 14 enter applicable Series 1 Code for that month.</p> <p>Form 1095-C, line 16, enter Code 2C.</p> <p>If self-insured, complete Form 1095-C, Part III for all enrolled individuals and check the box in column (e) for that month.</p>
<p>For the months following the month of employment termination during which former full-time employee was offered COBRA coverage (Includes spouse and dependent children, if applicable)</p>	<p>Form 1095-C, Part II, line 14 enter Code 1H Do not enter any amount on Form 1095-C, Part II, line 15.</p> <p>Form 1095-C, Part II, line 16 enter Code 2A for the months following the month of termination of employment.</p> <p>If self-insured, complete Form 1095-C, Part III for all enrolled individuals and in column (e) check applicable months that COBRA coverage was provided for at least one day in the month.</p> <p>The 2021 final Instructions state that an offer of COBRA continuation coverage made to a former employee (or a former employee's spouse or dependent child) due to termination of employment should not be reported as an offer of coverage on line 14. For a terminated employee, code 1H (no offer of coverage) should be entered for any month for which the offer of COBRA continuation coverage applies in line 14 and code 2A (employee not employed during the month) should be entered in line 16. The Instructions expressly prohibit the use of code 2C (employee enrolled in coverage offered) for any month in which a terminated employee is enrolled in COBRA continuation coverage.</p>



Example #1: Steve was a full-time employee of ABC Corporation and received an offer of coverage providing minimum value for an employee, spouse, and dependent children (family coverage) under the ABC Corporation health plan. ABC Corporation is an ALE, and its health plan is a self-insured health plan. Steve enrolled in family coverage under the ABC Corporation health plan effective January 1, 2021 through December 31, 2021, or through Steve's termination of employment, whichever is earlier. The employee premium for lowest-cost self-only coverage premium is \$127. On June 15, 2021, Steve terminated employment with ABC Corporation, and his coverage under ABC Corporation's health plan was continued through the end of the month. Steve and his family received an offer of continuation coverage under COBRA, but did not enroll in the coverage.

For January through June, ABC Corporation should report (using the individual month columns):

- Form 1095-C, Part II, line 14 enter Code 1E (minimum essential coverage providing minimum value offered to employee and at least minimum essential coverage offered to dependent(s) and spouse);
- Form 1095-C, Part II, line 15 enter \$127, the employee contribution for the lowest-cost self-only coverage providing minimum value offered under the ABC Corporation health plan; and
- Form 1095-C, Part II, line 16 enter Code 2C (employee enrolled in coverage offered).

For July through December, ABC Corporation should report:

- Form 1095-C, Part II, line 14 enter Code 1H (no offer of coverage);
- Form 1095-C, Part II line 15 should be left blank; and
- Form 1095-C, Part II, line 16 enter Code 2A (employee not employed during the month).

For Part III, ABC Corporation should report:

- Covered individuals' names in column (a) and Social Security Numbers in column (b); and
- Check the boxes in column (e) for months January – June for all covered individuals.



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Following is an example of how ABC Corporation should complete Steve's Form 1095-C.

Part II Employee Offer of Coverage	Employee's Age on January 1								Plan Start Month (enter 2-digit number):					01
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
14 Offer of Coverage (enter required code)		1E	1E	1E	1E	1E	1E	1H	1H	1H	1H	1H	1H	
15 Employee Required Contribution (see instructions)	\$	\$ 127	\$ 127	\$ 127	\$ 127	\$ 127	\$ 127	\$	\$	\$	\$	\$	\$	
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)		2C	2C	2C	2C	2C	2C	2A	2A	2A	2A	2A	2A	
17 ZIP Code														

Part III Covered Individuals		If Employer provided self-insured coverage, check the box and enter the information for each individual enrolled in coverage, including the employee. <input checked="" type="checkbox"/>															
	(a) Name of covered individual(s) First name, middle initial, last name	(b) SSN or other TIN	(c) DOB (if SSN or other TIN is not available)	(d) Covered all 12 months	(e) Months of coverage												
					Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
18	Steve A Smith	141-21-5555		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19	Ada L Smith	151-21-5555		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20	William T Smith	161-21-5555		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Example #2: Steve was a full-time employee of ABC Corporation and received an offer of coverage providing minimum value for an employee, spouse, and dependent children (family coverage) under the ABC Corporation health plan. ABC Corporation is an ALE, and its health plan is a **self-insured** health plan. Steve enrolled in family coverage under the ABC Corporation health plan effective January 1, 2021 through December 31, 2021, or through Steve's termination of employment, whichever is earlier. The employee premium for lowest-cost self-only coverage premium is \$127. On June 15, 2021, Steve terminated employment with ABC Corporation, and his coverage under ABC Corporation's health plan ended on that date. Steve and his family received an offer of continuation coverage under COBRA, but **did not enroll** in the coverage.

For January through May, ABC Corporation should report (using the individual month columns):

- Form 1095-C, Part II, line 14 enter Code 1E (minimum essential coverage providing minimum value offered to employee and at least minimum essential coverage offered to dependent(s) and spouse);
- Form 1095-C, Part II, line 15 enter \$127, the employee contribution for the lowest-cost self-only coverage providing minimum value offered under the ABC Corporation health plan; and
- Form 1095-C, Part II, line 16 enter Code 2C (employee enrolled in coverage offered).

For June (the month in which Steve terminated employment), ABC Corporation should report:

- Form 1095-C, Part II, line 14 enter Code 1H (no offer of coverage);
- Form 1095-C, Part II line 15 should be left blank; and
- Form 1095-C, Part II, line 16 enter Code 2B (employee not a full-time employee).

For July through December, ABC Corporation should report:

- Form 1095-C, Part II, line 14 enter Code 1H (no offer of coverage);
- Form 1095-C, Part II line 15 should be left blank; and
- Form 1095-C, Part II, line 16 enter Code 2A (employee not employed during the month).

For Part III, ABC Corporation should report:

- Covered individuals' names in column (a) and Social Security Numbers in column (b); and



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- Check the boxes in column (e) for months January – June for all covered individuals.

Below is an example of how ABC Corporation should complete Steve’s Form 1095-C.

Part II Employee Offer of Coverage	Employee’s Age on January 1							Plan Start Month (enter 2-digit number): 01					
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)		1E	1E	1E	1E	1E	1H	1H	1H	1H	1H	1H	1H
15 Employee Required Contribution (see instructions)	\$	\$ 127.00	\$ 127.00	\$ 127.00	\$ 127.00	\$ 127.00	\$	\$	\$	\$	\$	\$	\$
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)		2C	2C	2C	2C	2C	2B	2A	2A	2A	2A	2A	2A
17 ZIP Code													

Part III Covered Individuals																	
If Employer provided self-insured coverage, check the box and enter the information for each individual enrolled in coverage, including the employee. <input checked="" type="checkbox"/>																	
18	(a) Name of covered individual(s) First name, middle initial, last name	(b) SSN or other TIN	(c) DOB (if SSN or other TIN is not available)	(d) Covered all 12 months	(e) Months of coverage												
					Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
	Steve	A Smith	141-21-5555	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Ada	L Smith	151-21-5555	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	William	T Smith	161-21-5555	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Example #3: Same facts as Example #2, except that Steve **enrolls** in family COBRA coverage for himself, his spouse, and his dependent child under the plan effective June 15, 2021 through December 31, 2021.

For January through May, ABC Corporation should report (using the individual month columns):

- Form 1095-C, Part II, line 14 enter Code 1E (minimum essential coverage providing minimum value offered to employee and at least minimum essential coverage offered to dependent(s) and spouse);
- Form 1095-C, Part II, line 15 enter \$127, the employee contribution for the lowest-cost self-only coverage providing minimum value offered under the ABC Corporation health plan; and
- Form 1095-C, Part II, line 16 enter Code 2C (employee enrolled in coverage offered).

For June (the month in which Steve terminated employment), ABC Corporation should report:

- Form 1095-C, Part II, line 14 enter Code 1H (no offer of coverage);
- Form 1095-C, Part II line 15 should be left blank; and
- Form 1095-C, Part II, line 16 enter Code 2B (employee not a full-time employee).

For July through December, ABC Corporation should report:

- Form 1095-C, Part II, line 14 enter Code 1H (no offer of coverage);
- Form 1095-C, Part II line 15 should be left blank; and
- Form 1095-C, Part II, line 16 enter Code 2A (employee not employed during the month).

For Part III, ABC Corporation should report:

- Covered individuals' names in column (a) and Social Security Numbers in column (b); and
- Check the boxes in column (d) for "Covered all 12 months" all covered individuals.



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Below is an example of how ABC Corporation should complete Steve's Form 1095-C.

Part II Employee Offer of Coverage	Employee's Age on January 1							Plan Start Month (enter 2-digit number):					01
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	
14 Offer of Coverage (enter required code)		1E	1E	1E	1E	1E	1H	1H	1H	1H	1H	1H	1H
15 Employee Required Contribution (see instructions)	\$	\$ 127.00	\$ 127.00	\$ 127.00	\$ 127.00	\$ 127.00	\$	\$	\$	\$	\$	\$	\$
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)		2C	2C	2C	2C	2C	2B	2A	2A	2A	2A	2A	2A
17 ZIP Code													

Part III Covered Individuals																
If Employer provided self-insured coverage, check the box and enter the information for each individual enrolled in coverage, including the employee. <input checked="" type="checkbox"/>																
	(a) Name of covered individual(s) First name, middle initial, last name	(b) SSN or other TIN	(c) DOB (if SSN or other TIN is not available)	(d) Covered all 12 months	(e) Months of coverage											
					Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
18	Steve A Smith	141-21-5555		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19	Ada L Smith	151-21-5555		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20	William T Smith	161-21-5555		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Note that if the coverage offered to Steve is fully insured, the employer should leave Part III on Form 1095-C blank. The carrier will report enrollment information on Form 1095-B.



How to Report an Offer of COBRA Coverage to Ongoing Employee during the Calendar Year due to Reduction in Hours

Form	Comments
<p>For months after reduction in hours during which former full-time employee <u>did not</u> enroll in COBRA coverage (Includes spouse and dependent children, if applicable)</p>	<p>Form 1095-C, Part II, line 14 enter applicable Series 1 Code depending on the offer of coverage made based upon COBRA eligibility (e.g., employee only – 1B if only the employee had been enrolled prior to the reduction in hours; employee, spouse, and dependent children –1E if the employee, spouses, and dependents had been enrolled prior to the reduction in hours).</p> <p>Form 1095-C, Part II, line 15 enter COBRA premium for the lowest-cost self-only coverage providing minimum value offered.</p> <p>Form 1095-C, Part II, line 16 enter applicable Series 2 Code as determined for any other active employee.</p> <p>An offer of COBRA coverage made to an ongoing employee who loses eligibility for employer-sponsored health coverage due to a reduction in hours (such as moving from full-time to part-time) is reported as an offer of coverage on Form 1095-C, Part II. It is not dependent upon whether or not the employee actually elects the COBRA coverage.</p> <p>Based on IRS FAQs, the employer should enter the COBRA premium for the lowest-cost self-only coverage providing minimum value offered (i.e., the COBRA premium for the plan that is otherwise the lowest cost plan even if that was not the plan the employee enrolled in prior to the reduction in hours).</p> <p>The Series 2 Code used will depend on whether employee is treated as a full-time employee for purposes of Section 4980H, and if so, whether the offer of COBRA coverage satisfies one of the affordability safe harbors.</p>
<p>For months after reduction in hours during which former full-time employee enrolled in COBRA coverage (Includes spouse and dependent children, if applicable)</p>	<p>Form 1095-C, Part II, line 14 enter applicable Series 1 Code the offer of coverage made based upon COBRA eligibility (e.g., employee only – 1B if only the employee had been enrolled prior to the reduction in hours; employee, spouse, and dependent children –1E if the employee, spouses, and dependents had been enrolled prior to the reduction in hours).</p> <p>Based upon IRS FAQs, the employer should enter the COBRA premium for the lowest-cost self-only coverage providing minimum value offered.</p>



Form	Comments
	<p>Form 1095-C, Part II, line 15 enter COBRA premium for the lowest-cost self-only coverage providing minimum value offered.</p> <p>Form 1095-C, Part II, line 16 enter Code 2C.</p> <p>If self-insured, complete Form 1095-C, Part III for all enrolled individuals and in column (e) check applicable months that COBRA coverage was elected.</p>

Example #4: James was a full-time employee of ABC Corporation and received an offer of coverage under the ABC Corporation health plan providing minimum value, including an offer of minimum essential coverage to his spouse and dependents. ABC Corporation is an ALE, and its health plan is a **self-insured** health plan. James enrolled in self-only coverage offered from January 1, 2021 through October 31, 2021. The required employee contribution for the lowest cost self-only coverage option under the plan was \$150 per month. On November 1, 2021, James transferred to a part-time position and was no longer eligible for coverage under the terms of the ABC Corporation health plan. James received an offer of COBRA continuation coverage on account of the transfer to the reduced-hours position, with a COBRA premium of \$250 per month for self-only coverage (which was the lowest-cost option for COBRA coverage available). James elected to **enroll** in the COBRA continuation coverage for the months of November and December. James' spouse and dependent children are not eligible for COBRA continuation coverage because they were not enrolled in the plan on the day prior to James' COBRA Qualifying Event (i.e., his reduction in hours triggering a loss of eligibility).

For January through October, ABC Corporation should report:

- Form 1095-C, Part II, line 14, enter Code 1E (minimum essential coverage providing minimum value offered to employee and at least minimum essential coverage offered to dependent(s) and spouse);
- Form 1095-C, Part II, line 15 enter \$150 as the employee contribution.
- Form 1095-C, Part II, line 16, enter Code 2C



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For November and December, ABC Corporation should report:

- Form 1095-C, Part II, line 14, enter Code 1B (minimum essential coverage providing minimum value offered to employee)
- Form 1095-C, Part II, line 15 enter \$250 as the employee contribution (the required employee contribution for the lowest-cost self-only COBRA coverage providing minimum value).
- Form 1095-C, Part II, line 16, enter Code 2C

For Part III, ABC Corporation should report:

- Covered individual's name in column (a) and Social Security Number in column (b); and
- Check the "Covered all 12 months" box boxes in column (d).

Here's an example of how to fill out Parts II and III for James' self-insured coverage:

Part II	Employee Offer of Coverage				Employee's Age on January 1				Plan Start Month (enter 2-digit number):					01
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
14 Offer of Coverage (enter required code)		1E	1E	1E	1E	1E	1E	1E	1E	1E	1E	1B	1B	
15 Employee Required Contribution (see instructions)	\$	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 250.00	\$ 250.00	
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)		2C	2C	2C	2C	2C	2C	2C	2C	2C	2C	2C	2C	
17 ZIP Code														



Part III Covered Individuals																
If Employer provided self-insured coverage, check the box and enter the information for each individual enrolled in coverage, including the employee. <input checked="" type="checkbox"/>																
	(a) Name of covered individual(s) First name, middle initial, last name	(b) SSN or other TIN	(c) DOB (if SSN or other TIN is not available)	(d) Covered all 12 months	(e) Months of coverage											
					Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
18	James A Janke	141-12-5555		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Example #5a: The same facts as Example #4, except James elects **not to enroll** in the COBRA continuation coverage.

For January through October, ABC Corporation should report (using the individual month columns):

- Form 1095-C, Part II, line 14, enter Code 1E (minimum essential coverage providing minimum value offered to employee and at least minimum essential coverage offered to dependent(s) and spouse);
- Form 1095-C, Part II, line 15, enter \$150 as the employee contribution;
- Form 1095-C, Part II, line 16, enter Code 2C; and
- Form 1095-C, Part III, list covered individual, his Social Security Number, and check the boxes for each applicable month in column (e)

For November and December, ABC Corporation should report:

- Form 1095-C, Part II, line 14, enter Code 1B (employee offered employee-only coverage with minimum value):
- Form 1095-C, Part II, line 15 enter \$250 as the employee contribution (the required employee contribution for the lowest-cost self-only COBRA coverage providing minimum value);
- Form 1095-C, Part II, line 16 enter Code 2B (employee not a full-time employee); and



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- Form 1095-C, Part III, do not check the boxes for the months in column (e).

Here's an example of how to fill out Parts II and III for James' self-insured coverage:

Part II	Employee Offer of Coverage				Employee's Age on January 1				Plan Start Month (enter 2-digit number):				
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)		1E	1E	1E	1E	1E	1E	1E	1E	1E	1E	1B	1B
15 Employee Required Contribution (see instructions)	\$	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 250.00	\$ 250.00
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)		2C	2C	2C	2C	2C	2C	2C	2C	2C	2C	2B	2B
17 ZIP Code													

Part III	Covered Individuals															
	If Employer provided self-insured coverage, check the box and enter the information for each individual enrolled in coverage, including the employee. <input checked="" type="checkbox"/>															
	(a) Name of covered individual(s) First name, middle initial, last name	(b) SSN or other TIN	(c) DOB (if SSN or other TIN is not available)	(d) Covered all 12 months	(e) Months of coverage											
Jan					Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
18 James A Janke	141-12-5555		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Example #5b: The same facts as Example #4, except James elects **not to enroll** in the COBRA continuation coverage, AND James' status as a full-time employee is determined under the look-back method, and he is in a stability period during which he is considered to be a full-time employee.

For January through October, ABC Corporation should report (using the individual month columns):

- Form 1095-C, Part II, line 14, enter Code 1E (minimum essential coverage providing minimum value offered to employee and at least minimum essential coverage offered to dependent(s) and spouse);
- Form 1095-C, Part II, line 15, enter \$150 as the employee contribution;
- Form 1095-C, Part II, line 16, enter Code 2C; and
- Form 1095-C, Part III, list covered individual, his Social Security Number, and check the boxes for each applicable month in column (e)

For November and December, ABC Corporation should report:

- Form 1095-C, Part II, line 14, enter Code 1B (employee offered employee-only coverage with minimum value);
- Form 1095-C, Part II, line 15 enter \$250 as the employee contribution (the required employee contribution for the lowest-cost self-only COBRA coverage providing minimum value);
- Form 1095-C, Part II, line 16 DO NOT enter Code 2B (employee not a full-time employee);
- Form 1095-C, Part II, line 16 enter, if applicable, a code from Code Series 2 (Section 4980H Safe Harbor Codes and Other Relief for Employers); and
- Form 1095-C, Part III, do not check the boxes for the months in column (e).



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Here's an example of how to fill out Parts II and III for James' self-insured coverage:

Part II Employee Offer of Coverage	Employee's Age on January 1												Plan Start Month (enter 2-digit number):		
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	01	
14 Offer of Coverage (enter required code)		1E	1E	1E	1E	1E	1E	1E	1E	1E	1E	1E	1B	1B	
15 Employee Required Contribution (see instructions)	\$	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 250.00	\$ 250.00	
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)		2C	2C	2C	2C	2C	2C	2C	2C	2C	2C	2C			
17 ZIP Code															

NOTE: Line 16 has not been completed in this example because the coverage is “unaffordable,” and the employer is not entitled to use a safe harbor.

Part III Covered Individuals																	
If Employer provided self-insured coverage, check the box and enter the information for each individual enrolled in coverage, including the employee. <input checked="" type="checkbox"/>																	
	(a) Name of covered individual(s) First name, middle initial, last name			(b) SSN or other TIN	(c) DOB (if SSN or other TIN is not available)	(d) Covered all 12 months	(e) Months of coverage										
							Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov
18	James	A	Janke	141-12-5555		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19						<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20						<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



How to Report Self-Insured Coverage Provided to Individuals who were Not Employees on Any Day of the Calendar Year on Form 1095-C

Form	Comments
Form 1095-C, Part II, line 14 enter Code 1G and complete Part III	Individuals that were not employed by the employer on any day of the calendar year may include: non-employee directors, employees terminated in a previous calendar year receiving COBRA coverage, employees that retired in a previous calendar year, or a family member that is receiving coverage independent of former employee (such as a surviving spouse electing COBRA coverage). Family members covered due to an individual's enrollment (such as a spouse of a retiree because the retiree elected self + spouse coverage) should all be included on the same Form 1095-C.

Example # 6: Same facts as Example # 2 above, except that Steve's termination of employment is June 15, 2020 and he elects COBRA continuation coverage. Steve continues COBRA coverage for January through March of 2021 (i.e., the year following his termination of employment) for his entire family.

Following is an example of how ABC Corporation should complete Steve's Form 1095-C, Parts II and III for 2021:

Part II Employee Offer of Coverage	Employee's Age on January 1							Plan Start Month (enter 2-digit number):					
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)	1G												
15 Employee Required Contribution (see instructions)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)													
17 ZIP Code													



Part III Covered Individuals																		
If Employer provided self-insured coverage, check the box and enter the information for each individual enrolled in coverage, including the employee. <input checked="" type="checkbox"/>																		
	(a) Name of covered individual(s) First name, middle initial, last name			(b) SSN or other TIN	(c) DOB (if SSN or other TIN is not available)	(d) Covered all 12 months	(e) Months of coverage											
							Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
18	Steven	A	Smith	141-21-555		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
19	Ada	L	Smith	151-21-555		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
20	William	T	Smith	161-21-555		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Note: Employers offering self-insured coverage may alternatively use Form 1095-B (instead of Form 1095-C).

The intent of this analysis is to provide general information regarding the provisions of current federal laws and regulation. It does not necessarily fully address all your organization's specific issues. It should not be construed as, nor is it intended to provide, legal advice. Your organization's general counsel or an attorney who specializes in this practice area should address questions regarding specific issues.