

# AFFORDABLE CARE ACT: Information on Your 1095 Tax Form

The Affordable Care Act requires Americans to maintain qualified health plan (QHP) coverage or pay tax penalties. In 2016, for the 2015 tax year, the IRS requires health care coverage tax reporting—the IRS waived this reporting requirement last year.

## What VSTRS Members Need to Know

### Active Employees:

Employees who are offered coverage by a school with at least 50 or more full-time employees and equivalents will receive a Form 1095-C from their employer. If the employee was enrolled for coverage for at least one day in 2015, the employee will also receive a Form 1095-B from Blue Cross Blue Shield of Vermont (BCBSVT). Employees who are offered coverage by a school with less than 50 full-time employees and equivalents will only receive Form 1095-B from BCBSVT.

### Retirees:

Blue Cross and Blue Shield of Vermont (BCBSVT) will provide a Form 1095-B to all retirees for the coverage period that you were enrolled in healthcare coverage and were not enrolled in Medicare.

## Q&A for Retirees

### What is Form 1095-B and who will receive one?

Form 1095-B is a tax form that shows that you and your tax dependents have medical coverage. Every retiree who had medical coverage through the health plan will receive a Form 1095-B. Receiving Form 1095-B does not mean that you owe income taxes on the value of the health care benefits that you receive. Please contact a tax professional if you are unsure of your potential tax liability.



### Who will send my Form 1095-B?

Every retiree who had medical coverage through Blue Cross and Blue Shield of Vermont in 2015 will receive Form 1095-B from BCBS of Vermont. The Center for Medicare & Medicaid Services (CMS) will mail Form 1095-B to every participant enrolled in Medicare.

### When will I receive my Form 1095-B?

The deadline for medical coverage providers to mail Form 1095-B to members has recently been extended from January 31, 2016 to March 31, 2016. Although the deadline has been extended, all efforts are being made by BCBSVT to mail forms out by February 1. If you expect to receive a Form 1095-B from BCBSVT and do not receive one by February 15, please contact BCBSVT customer service at (800) 247-2583. Enrollees of Medicare and Medicaid will receive a Form 1095-B from CMS, as mentioned above. These forms may be mailed at a later date. If you expect to receive a form from CMS and do not receive one by March 31, 2016, please contact them at 1-800-MEDICARE (1-800-633-4227).

### What do I do with my Form 1095-B?

You will use the Form 1095-B to verify medical coverage for yourself and your covered dependents for your federal income tax filing. It is important that this information is accurate or the IRS may assess the Individual Mandate Penalty.

### What if I had medical coverage through Blue Cross and Blue Shield for part of the year and through another employer, carrier or Medicare for the rest of the year?

Every medical coverage provider, including Medicare, that covered you and your dependents for any part of 2015 is required to send you a Form 1095-B. Each Form 1095-B will show the months that you were covered under that plan. Additional benefits such as dental insurance, life insurance, or short-term and long-term disability do not need to be reported and will not be included on Form 1095-B.

### What if I cover an eligible dependent for medical insurance, but do not claim them on my taxes?

The Form 1095-B will be sent to the person who has medical coverage for the dependent, even if that person does not claim the dependent on his or her taxes. The person who receives the 1095-B is responsible for providing copies of the form to the person who is filing the tax return for the dependent.

### What if I still have questions?

If you are a retiree and were covered by a medical plan through VSTRS and have additional questions, contact customer service at Blue Cross and Blue Shield of Vermont at (800) 247-2583.