



Your Future — Our Focus

January 2017

Re: Affordable Care Act Reporting Obligations

Dear Contributing Employer

As you know, the Affordable Care Act ("ACA" or "Health Care Reform") requires applicable large employers to report to the Internal Revenue Service ("IRS") certain information regarding the coverage offered to full-time employees. This reporting obligation continues to be effective with the coverage offered during the 2016 calendar year and the filing is generally due to the IRS no later than February 28, 2017 (March 31, 2017 if filing electronically). Applicable large employers must also separately provide a copy of the report to their full-time employees by January 31, 2017. This is an ongoing, annual obligation for applicable large employers. More information on these requirements is available on the IRS website:

<http://www.irs.gov/Affordable-Care-Act/Employers/Questions-and-Answers-on-Reporting-of-Offers-of-Health-Insurance-Coverage-by-Employers-Section-6056> and
<http://www.irs.gov/Affordable-Care-Act/Employers/Questions-and-Answers-about-Information-Reporting-by-Employers-on-Form-1094-C-and-Form-1095-C>.

As an initial matter, you will need to determine whether you are an "applicable large employer." An "applicable large employer," for this purpose, generally means an employer that, for the prior calendar year, employed an average of 50 or more full-time employees (those employees who worked an average of 30 hours per week) and full-time employee equivalents (generally, a representative number of the employer's part-time employees). You may wish to discuss this requirement further with your benefits consultant or broker or your legal counsel.

Additionally, you may be aware that the IRS has provided interim relief from certain ACA requirements for employers that contribute to multiemployer plans. As described in the instructions for Forms 1094-C and 1095-C (the forms applicable large employers will use to satisfy their reporting requirement):

An employer is treated as offering health coverage to an employee if the employer is required by a collective bargaining agreement or related participation agreement to make contributions for that employee to a multiemployer plan that offers, to individuals who satisfy the plan's eligibility conditions, health coverage that is affordable and provides minimum value, and that also offers health coverage to those individuals' dependents (or is eligible for the section 4980H transition relief regarding offers of coverage to dependents, if applicable for certain calendar months in 2016.)

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You may wish to consult your legal counsel to determine whether you qualify for this relief. If you determine that you qualify for this multiemployer transition relief, you may be eligible for simplified reporting, as described on page 10 of the instructions for Forms 1094-C and Form 1095-C:

For reporting offers of coverage for 2016, an employer relying on the multiemployer arrangement interim guidance should enter code 1H on line 14 for any month for which the employer enters code 2E on line 16 (indicating that the employer was required to contribute to a multiemployer plan on behalf of the employee for that month and therefore is eligible for multiemployer interim rule relief). . . . For reporting for 2016, **Code 1H may be entered without regard to whether the employee was eligible to enroll in coverage under the multiemployer plan.** For 2017 and future years, reporting for offers of coverage made through a multiemployer plan may be reported in a different manner. (emphasis added)

While this reporting obligation is the responsibility of the employer, the Plan can provide the following Plan-specific information to participating employers that should assist in determining whether you qualify for the multiemployer transition relief and completing the report:

- The Plan offers minimum value coverage to employees who meet the Plan's eligibility requirements. The Plan also offers minimum value coverage to dependent children and spouses.
- The Plan's waiting period complies with the ACA rules.
- The Plan does not require any employee contributions for active coverage.

Finally, you will likely conclude that this relief applies only to your employees who participate in the Plan (or other multiemployer plans where the transition relief applies). How you report your employees who do not participate in a multiemployer plan will depend upon the coverage offered to them. You will need separate information to report those employees' coverage. You may wish to seek assistance from your benefits consultant or broker or legal counsel on the specific information you will need.

Please contact the Contributions Department at the Fund Office at 312-787-9455, telephone option #5, if you have any questions regarding this notice. Participant Services Representatives are available to assist you Monday through Friday between the hours of 8:00 a.m. and 4:30 p.m.

Sincerely

The Board of Trustees