

WHAT YOU NEED TO KNOW ABOUT THE AFFORDABLE CARE ACT – BEFORE YOU FILE YOUR 2014 TAX RETURN: Employer Coverage Reporting (Section 6055)

You may have heard that all individuals who are not exempt must have health insurance or pay a fee known as the individual shared responsibility payment. The federal health reform law, called the Affordable Care Act (ACA), says that individuals must have health insurance, called minimum essential coverage or "MEC." If they don't, they may have to pay the fee.

How will the IRS know who has insurance?

Under IRS section 6055, health insurance issuers (issuer), such as UnitedHealthcare, must report health insurance coverage information to the Internal Revenue Service (IRS) on Form 1095-B about everyone we insure. The IRS will match the information we send with health insurance information taxpayers provide on their federal income tax return.

What do you need to do in 2015 when filling out your 2014 tax return?

When you do your tax return for 2014, line item 61 (Health care: individual responsibility) of the 1040 Form is to report health insurance. If you, your spouse (if filing jointly) and covered dependents had health insurance for every month of 2014, you will check this box.

What do you need to do in 2016 when filling out your 2015 tax return?

Before Jan. 31, 2016, UnitedHealthcare will send the responsible individual (policy holder) a copy of Form 1095-B for the 2015 calendar year. This is the same form UnitedHealthcare will use to report health insurance information to the IRS. It will be sent to you to use as proof of insurance to help you do your tax return. Form 1095-B shows this information about your health insurance: Type of coverage you have Period of coverage Who was covered (including dependents)

Adult dependents

Dependents over age 18 covered under your plan will not get a separate copy of Form 1095-B. You will need to give a copy to individuals covered under the plan if they need it for their records.

Do your spouse and dependent children have to be covered under the same policy or plan that covers you?

No. You, your spouse and your dependent children do not have to be covered under the same policy or plan. You, your spouse and each dependent child for whom you claim a personal exemption on your tax return must have MEC or qualify for an exemption. If not, you will owe the fee when you file your tax return.

If you had coverage with another issuer for part of the year

If you had coverage from another issuer(s) for part of the year, you should get another Form 1095-B from the other issuer(s).

If you had no coverage for part of the year

If you didn't have coverage during the year, you may have to pay the fee unless you qualify for an exemption. A single gap in coverage of less than three months qualifies as a short coverage gap, and you will not have to make a payment for those months. For more information, visit HealthCare.gov.

Will Form 1095-B be sent again next year?

Starting in 2016, as long as you have health insurance with UnitedHealthcare, you will get Form 1095-B every year to use with your tax return.

Can you get this form electronically?

We will share more details as they are available.

For the 2014 reporting year, The Departments of Health and Human Services (HHS) and Treasury indicate that general information on ACA-related tax issues can be found at IRS.gov/ACA or HealthCare.gov/taxes. They also highlight three existing publications: Health Care Law: What's New for Individuals & Families (IRS) 3 Tips About Marketplace Coverage & Your Taxes (HHS) No Health Coverage? What That Means for Your Taxes (HHS)

This communication is not intended, nor should it be construed, as legal or tax advice. Please contact a competent legal or tax professional for legal advice, tax treatment and restrictions. Federal and state laws and regulations are subject to change