

# No changes to reporting health benefits on W-2s

The IRS has made no changes to health benefits reporting on your 2018 W-2s. *Recap:* If you filed at least 250 W-2s for 2017, you must report the aggregate cost of employees' health benefits in Box 12, with Code DD. If you provided employees with qualified small employer HRAs, you must report your contributions in Box 12, with Code FF.

In both cases, reporting on Form W-3 isn't necessary.

**HERE'S HELP:** The chart below lists health benefits and whether you must report them on employees' W-2s. Even if a benefit isn't reportable, you may voluntarily report it.

Click the image to download.

**Payroll Legal Alert**

*Health benefit reporting on 2018 Forms W-2*

Coverage type	Reportable on Form W-2 (Code DD)
Major medical	Mandatory reporting
Dental/vision plan not integrated into another medical or health plan	Optional reporting
Dental/vision plan that employees may decline or elect separate premiums charged	Optional reporting
Health FSA funded solely by employees' pretax contributions	Not reportable
Health FSA value for the plan year in excess of employees' cafeteria plan pretax contributions for all qualified benefits	Mandatory reporting
Health reimbursement arrangement (HRA) contributions	Optional reporting
Contributions into qualified small employer health reimbursement accounts (QSEHRA)	Report with Code FF instead
Employer and employee contributions into health savings accounts (HSA)	Report with Code W instead
Employer and employee contributions into Archer medical savings accounts (Archer MSA)	Report with Code R instead
Insured or self-insured hospital indemnity or specified illness, paid through employees' pretax contributions or by employees	Mandatory reporting
Employee assistance plans (EAPs), on-site medical clinics and wellness programs providing applicable employer-sponsored health coverage	Mandatory reporting if employer charges a COBRA premium; optional reporting if no COBRA premium is charged
Self-insured health plans not subject to federal COBRA	Optional reporting
Accident or disability income	Not reportable
Long-term care	Not reportable
Liability insurance	Not reportable
Supplemental liability insurance	Not reportable
Workers' compensation	Not reportable
Automobile medical payment insurance	Not reportable
Credit-only insurance	Not reportable
Expense reimbursements made to highly compensated individual, which are included in gross income under self-insured plans	Not reportable
Payments/reimbursements of health insurance premiums for S corporation employees, which are included in gross income	Not reportable
Forms W-2 provided to terminating employees who request early W-2s	Not reportable
Reporting for retirees who receive health benefits but have no other reportable income	Not reportable

November 2018 www.PayrollLegalAlert.com

