

The ACA individual mandate isn't dead, it's moved to the states

The Tax Cuts and Jobs Act repealed the Affordable Care Act's individual mandate—a requirement that all individuals have health insurance providing minimum value—beginning this year. Some states have jumped into the breach by enacting their own individual mandate laws. And just like the ACA, part of the enforcement mechanism is employer reporting.

California. Beginning Jan. 1, 2020, all residents must have minimum essential coverage health insurance. It's anticipated that employers will be required to report their offers of group health insurance in a manner similar to federal reporting on Forms 1095-C and 1094-C. The first returns are due in 2021.

District of Columbia. D.C.'s individual mandate provision kicked in at the start of this year. Employers that have at least 50 employees and at least one employee who resides in the District (i.e., the employee has District income taxes withheld), must report offers of group health insurance. Employers use Forms 1095-C and 1094-C.

For offers of group coverage made during 2019, the filing deadline is June 30, 2020. For offers of group coverage made during 2020 and thereafter, the filing deadline is 30 days after the federal deadline. Employers will file electronically through MyTax.DC.gov.

New Jersey. New Jersey's individual mandate also kicked in at the start of this year. Filing requirements mirror federal law. The state will accept the same 1094/1095 data files sent to the IRS, even if they include data about individuals who aren't residents. Employers providing data on nonresidents should consult privacy and other laws pertaining to residents of other states before sending any sensitive or personal data to New Jersey.

Employers must e-file, using the Division of Revenue and Enterprise Services' MFT SecureTransport service. If you don't have an MFT SecureTransport service account or need technical specifications, email e-GovServices@treas.nj.gov.

Rhode Island. Beginning Jan. 1, 2020, residents must maintain minimum essential health insurance; employer-provided group health benefits will satisfy this mandate. Beginning in 2021, employers must file returns showing their offers of group health insurance to employees. Filing Forms 1095-C and 1094-C will suffice.

Vermont. Vermont's individual mandate also becomes effective Jan. 1, 2020. Employer reporting requirements, however, weren't included in the law.