



**U.S. PUBLIC HEALTH SERVICE COMMISSIONED CORPS
MESSAGE FROM COMMISSIONED CORPS HEADQUARTERS (CCHQ)**

AFFORDABLE CARE ACT AND TAX REPORTING

JANUARY 8, 2016

As of January 2014, the Affordable Care Act requires:

- Individuals to have qualifying health care coverage, known as [minimal essential coverage \(MEC\)](#), for themselves and their family members.
- Employers and health care plans to share each individual's minimal essential coverage information with the Internal Revenue Service (IRS).
- Individuals to pay a tax penalty for each month they or their family members do not have MEC; tax penalty information is available on <http://www.irs.gov/uac/Individual-Shared-Responsibility-Provision>.

ENSURING COMPLIANCE:

The reporting requirement for employers and health care plans was delayed until tax year 2015 (under Section 6056 of IRS Code)

For the 2015 tax year:

- Every employer, including The U.S. Public Health Service Commissioned Corps (Corps), reports information to the IRS about employees and family members covered by its health plan(s).
- Health care plans, including TRICARE, report to the IRS which individuals have minimum essential coverage.
 - If a TRICARE-eligible beneficiary has other health insurance, including Department of Veterans Affairs (VA) or Medicare coverage, (1) the Corps/TRICARE, and (2) the other employer/other health insurance plan/other Federal agency will each report the health coverage to the IRS.
- For tax purposes, individuals and family members are identified by their Social Security Numbers (SSN);
 - Sponsors should confirm that all individual and family members' SSNs are correct in the Defense Enrollment Eligibility Reporting System (DEERS) to ensure information is correctly reported to the IRS.
 - If family information is not reported accurately in DEERS, then information will be reported incorrectly to the IRS. If a sponsor received a letter indicating that his or her SSN or a family members' SSN required updating in DEERS, please follow the instructions in the letter to ensure your information is correctly reported to the IRS. Letters were mailed in early August 2015.
 - Those who have not met the MEC requirement will be required to pay a fee for the number of months each family member did not have coverage.
- Employers are required to provide employees with IRS Form 1095 by March 31, 2016 as confirmation of minimum essential coverage for 2015 federal tax purposes. Any family members covered under the employee's health plan will be listed on the same IRS Form 1095.

FREQUENTLY ASKED QUESTIONS (FAQs):

1. QUESTION: Does the Affordable Care Act affect me as a Uniformed Service member or beneficiary?

ANSWER: Yes. Starting in 2014, all individuals are required to have minimum essential coverage, which includes all Uniformed Service members (active duty, retired, Selected Reserve, or Retired Reserve) and their eligible family members. For more information on TRICARE's minimum essential coverage, visit <http://www.tricare.mil/ACA>.

2. QUESTION: The Affordable Care Act says I must have “minimum essential coverage (MEC).” As a TRICARE beneficiary, do I have “MEC” with TRICARE?

ANSWER: You can find out more about the Affordable Care Act and minimum essential coverage at www.tricare.mil/ACA or search the TRICARE FAQs at www.tricare.mil/FAQs (use ACA as your keyword search).

3. QUESTION: Is the Corps going to send me a healthcare-related IRS tax form for my records?

ANSWER: Yes. The Department of the Treasury delayed reporting by employers and healthcare plans and IRS tax forms until tax year 2015. In 2016, the Corps will provide the required IRS Form 1095 to active duty officers, former officers, and all others with TRICARE coverage during tax year 2015. In most cases, this form does not need to be filed with your tax return. For specific guidelines on submitting MEC documents please visit the IRS website at: <https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Affordable-Care-Act--What-to-Expect-when-Filing-Your-2015-Tax-Return>.

4. QUESTION: How and when will I get my Affordable Care Act (ACA)-related IRS tax forms?

ANSWER: Active duty officers, former officers, and all others with TRICARE coverage during tax year 2015 will receive an IRS tax Form 1095 in the mail by March 31, 2016.

If you still have questions please email the Compensations Section at: Compensationbranch@psc.gov