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ACA REPORTING REQUIREMENTS FOR MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWAs)

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BACKGROUND ON ACA REPORTING REQUIREMENTS

The ACA mandates that all entities providing minimum essential coverage (MEC) must report this coverage to both the IRS and the individuals covered. For non-Applicable Large Employers (non-ALEs) who sponsor self-insured health plans through a MEWA, this requirement is fulfilled through Form 1095-B, along with the accompanying transmittal Form 1094-B.

As the plan sponsor or administrator of a self-insured Multiple Employer Welfare Arrangement (MEWA), it is essential to comply with the Affordable Care Act (ACA) reporting requirements to avoid significant penalties. The IRS has implemented major changes for Tax Year 2024, including mandatory electronic filing for most employers.

2024 ACA REPORTING REQUIREMENTS

Electronic Filing

Beginning in 2024, any employer filing 10 or more returns must file Forms 1094-B and 1095-B electronically. The IRS has eliminated paper filing, except for employers who receive a hardship waiver. The filing deadlines for 2024 are:

- Electronic Filing Deadline: March 31, 2025
- Form 1095-B **Distribution Deadline**: March 3, 2025

Failure to meet these deadlines or to file electronically when required may result in penalties of \$310 per return, with a maximum penalty of \$3,783,000 per year.

PENALTIES FOR NON-COMPLIANCE

1. Failure to File Penalty:

For Tax Year 2024, the penalty for failing to file 1095-C forms on time is \$310 per return if filed after August 1, 2024. If an organization files late with 20 full-time employees, the penalty could be \$6,200. If the employer fails to file altogether, the penalty rises to \$630 per return, totaling \$12,600 for intentional disregard.

2. Failure to Furnish Penalty:

Similar to the failure to file penalty, the penalty for not providing 1095-C statements to employees as required is \$310 per return, increasing to \$630 for intentional disregard.

These penalties can accumulate quickly, making timely compliance critical for MEWAs.

NEXT STEPS FOR EMPLOYERS

To ensure compliance with the ACA's reporting requirements for 2024:

- Prepare and review Form 1095-B for each covered individual.
- **Utilize an IRS-approved e-filing** service like BenefitScape to manage the electronic submission of forms.
- Distribute Form 1095-B to employees by March 1, 2025.

For more information or assistance, contact info@benefitscape.com to set up a call with our ACA experts. We are here to help guide you through the reporting process and ensure compliance with these updated regulations. - END -

IF YOU HAVE QUESTIONS ABOUT ANY ASPECT OF ACA, PLEASE

CONTACT **BENEFITSCAPE**, THE LEADING SPECIALIST IN ACA COMPLIANCE:

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*Any sufficiently advanced technology is indistinguishable from magic. [Arthur C Clarke](#)