

What is the ACA?

In 2010, the federal government enacted the [Affordable Care Act \(ACA\) \(link is external\)](#), a comprehensive health care reform law that phases in a series of actions to occur over an eight-year period. The ACA is intended to:

- Provide all Americans access to health care
- Lower the cost of quality health care
- Protect health care consumer rights

To expand health care coverage, as part of the [Employer Shared Responsibility Provision \(link is external\)](#), also known as the employer mandate, all employers with 50 or more full-time equivalent employees (FTE) are required to provide *minimum essential medical coverage* (MEC) to at least 95% of their full-time employees and dependents up to age 26 in 2016.

Full-time employees for ACA purposes are those who work an average of 30 hours or more per week. At FHDA, these include not only FHDA's benefits-eligible employees, but also FHDA's temporary, casual, and student employees.

Starting in 2016, all employers are also required to report coverage information to the IRS and furnish covered individuals with a form that shows compliance with the [individual shared responsibility \(link is external\)](#) provision of ACA. The annual notification, also known as the IRS Form 1095-C, must be sent to all employees by March 31, 2016. In addition, health plan insurers must send a similar IRS Form (1095-B) to covered individuals.