



. . . Health Care Reform

More IRS Guidance about W-2 Form Reporting of the Cost of Health Care Coverage

The Affordable Care Act requires that W-2 forms report the cost of health care coverage. For 2012 the cost of health care coverage must be reported by employers that filed 250 or more W-2 forms for 2011. Generally the total cost of employer health coverage must be reported, regardless of whether it is funded by employer contributions, employee contributions or both types of contributions.

IRS Notice 2012-9 (which replaced IRS Notice 2011-28) provides new guidance including the following:

- **Health Flexible Spending Accounts** funded solely by employee pre-tax contributions is not reportable
- **Dental and Vision Plan** coverage is not reportable if such plans are either (1) separate stand alone plans or (2) are offered as part of a medical plan for an additional employee premium.
- **Employee Assistance Plans, Wellness, On-Site Medical Clinics and Health Reimbursement Accounts** are not reportable unless the employer charges a premium for such coverage under federal COBRA rules.
- **Hospital or Other Fixed Indemnity Coverage** is not reportable if the cost of such coverage (for example, cancer insurance coverage) is funded solely by employee after tax contributions. If the employee pays for such coverage with pre-tax employee contributions, such coverage is reportable.

Here is a link to more information about W-2 reporting of the cost of health care coverage:

<http://www.haynesbenefits.com/admin/uploads/IRS%20W-2%20Form%20Reporting%20of%20the%20Cost%20of%20Health%20Care%20Coverage%20-%20New%20Guidance.pdf>

Please let us know if you have any questions.

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