

The National Association of Benefits and Insurance Professionals (NABIP), formerly NAHU, is the leading professional association for health insurance agents, brokers, general agents and consultants. Our members work with individuals, families and employers of all sizes to help them purchase health insurance coverage and use that coverage in the best possible way.

We would like to emphasize the Employer Reporting Improvement Act ([H.R. 3801](#)), which was recently passed by the House of Representatives. If passed by the Senate and signed into law by the president, this legislation would make the health insurance market more efficient and responsive to American employers and individual consumers.

Issues:

- The employer reporting requirements are needlessly burdensome and confusing for employers, consumers, health insurance exchanges and the IRS.
- The current system needlessly exposes employers to threats of tax penalties and additional accounting and legal costs.
- The reporting requirements demand unnecessary personal identifying information from employees and their dependents, including taxpayer identification numbers and Social Security Numbers.
- The current employer reporting system has an 82% error rate, reflecting the difficulties in reporting under the current system.

Solution:

The Employer Reporting Improvement Act provides necessary relief for employers seeking to comply with the reporting requirements under Section 6055 and 6056 for enforcement of the ACA's individual and employer mandates. The bill would:

- Allow certain large employers at least 90 days to respond to the first letter from the Treasury Department outlining a proposed shared employer responsibility payment.
- Specify that information that would be reported would include name and employer identification, who has been extended an offer of minimum essential coverage.
- Allow employers to substitute an individual's full name and date of birth in place of a taxpayer identification number in certain circumstances.
- Allow employers to deliver reports to employees electronically without another consent form.
- Limit the time horizon for IRS lookback for prior compliance period in accordance with current regulatory and statutory guidelines.