

Designated Governmental Entity Form

To give GIC Minimum Essential Coverage reporting responsibilities under Internal Revenue Code Section 6055

Under Internal Revenue Code (IRC) section 6055, a government employer may enter into a written agreement with another governmental unit that designates the other governmental unit as the entity responsible for filing the returns and furnishing the required statements for individuals receiving minimum essential coverage under the same plan or arrangement. A governmental employer that designates reporting under section 6055 will remain subject to section 4980H.

Any Governmental Employer whose employees are covered by self-insured health plans sponsored by the Group Insurance Commission may elect to designate the Group Insurance Commission (GIC) as its designated governmental unit, agency or instrumentality (also known as a designated governmental entity) to fulfill any reporting requirements for its employees and retirees who were enrolled in a GIC self-insured plan under IRS section 6055.

The Governmental Employer listed below hereby designates the GIC as its designated governmental unit to fulfill all reporting responsibilities under IRC section 6055 for its employees and retirees enrolled in GIC plans. This designation meets all requirements under IRC section 6055(c) and is effective under all applicable laws. The Governmental Employer must retain a signed and executed copy of the designation in its books and records. Once executed, the Governmental Employer or GIC may elect to revoke the designation by written notification at least 60 days prior to furnishing the statements required by Section 6055 each year.

By signing this designation, the Governmental Employer and GIC agree to the following:

1. The Governmental Employer is the person subject to the requirements of IRC section 6055;
2. GIC agrees to report information on behalf of the Governmental Employer for purposes of IRC section 6055 with respect to the Governmental Employer's employees, retirees and their dependents enrolled in a GIC self-insured plan for any portion of the reporting period;
3. GIC meets the requirements of an appropriately designated governmental unit under IRC section 6055(c); and
4. GIC will report on Form 1095-B.

Governmental Employer Information

Governmental Employer Name: _____

This _____ day of _____, 2021

Agency/Division Code: _____

Name of Authorized Signatory: _____

Governmental Employer EIN: _____

Title of Authorized Signatory: _____

Governmental Employer Address: _____

Governmental Employer Contact:

Name: _____ Title: _____

Telephone: _____

Authorized Signature: _____

Designated Governmental Unit Information

Group Insurance Commission
PO Box 556
Randolph, MA 02368

GIC's Authorized Signature:

This ____ day of _____, 2021

*If GIC accepts the designation, GIC will return a signed copy of the form to the employer for its file. This designation is not in effect until the document has been signed by both the employer and GIC. If you have any questions, please contact **Andrew M. Stern** General Counsel, GIC 617-727-2310 x.7019*

- **24. May an employer that is a governmental unit designate a third party to file the return and furnish the statements under section 6056 on its behalf?**

Yes. The regulations provide that an ALE member that is a governmental unit (defined as the government of the United States, any State or political subdivision thereof, or any Indian tribal government (as defined in section 7701(a)(40)) or subdivision of an Indian tribal government (as defined in section 7871(d)), may report under section 6056 on its own behalf or may appropriately designate another person or persons to report on its behalf. A person may be appropriately designated to file the return and furnish the statements under section 6056 on behalf of the ALE member if the person is part of or related to the same governmental unit as the ALE member. A government entity that is designated to file for another governmental unit is referred to as a Designated Government Entity (DGE).

A separate Form 1094-C must be filed for each ALE member for which the appropriately designated person is reporting. The designated entity would provide the name, address and EIN of both the designated entity and the ALE member for which it is reporting. Additionally, the regulations require that there be a single identified Form 1094-C reporting aggregate employer-level data for the ALE member (including full-time employees of the ALE member the reporting for which has been transferred to a designated person), and that there be only one Form 1095-C for each full-time employee of the ALE member with respect to employment with that ALE member. For additional details, see the [instructions for Forms 1094-C and 1095-C](#) and the [1094-C and 1095-C Questions and Answers](#).

- The designated person must agree that it is the appropriately designated person for the governmental unit and that it is responsible for reporting under section 6056 on behalf of the ALE member. Thus, the appropriately designated person must agree that it is responsible for the information reporting under section 6056 and is subject to the information reporting penalty provisions of sections 6721 and 6722. However, the ALE member remains subject to section 4980H.

- **25. May an employer that is a governmental unit that sponsors a self-insured employer-sponsored health plan designate a third party to file the return and furnish the statements under section 6055 on its behalf?**

Yes. A governmental unit that sponsors a self-insured employer-sponsored health plan may designate its reporting obligations under section 6055 to a DGE. The procedures for a governmental unit to designate a DGE for reporting under section 6055 are the same as those for designating a DGE for reporting under section 6056 as described in question 24 above, and the regulations under section 6055. As with the designation under section 6056, a governmental unit that designates reporting under section 6055 will remain subject to section 4980H.

- **26. May an employer that is a governmental unit that sponsors a self-insured health plan designate its reporting obligations under section 6055 to a DGE but not designate its reporting obligations under section 6056?**

Yes. A governmental unit that sponsors a self-insured employer-sponsored health plan may designate its reporting obligations under section 6055 to a

DGE, as discussed in question 24 above, but not designate its reporting obligations under section 6056.

From Questions and Answers about Information Reporting by Employers on Form 1094-C and Form 1095-C

15. What forms do a DGE and the designating governmental unit use to report the required information?

A governmental unit and a DGE should use Form 1094-B, Transmittal of Health Coverage Information Returns, and Form 1095-B, Health Coverage, or Form 1094-C and Form 1095-C, as follows:

(A) An ALE member with an insured employer-sponsored health plan (or options under the employer-sponsored health plan that are insured) that has delegated to a DGE the responsibilities for reporting the offer of coverage (section 6056) information.

In this case, the DGE must report the offer of coverage information using a Form 1094-C and a Form 1095-C for each employee for whom the governmental unit has delegated the reporting to the DGE. The Form 1094-C and Form 1095-C will identify the ALE member as the employer and the DGE as the entity filing on behalf of the governmental unit, so that the DGE must file a separate Form 1094-C for each ALE member that has delegated the reporting responsibility to the DGE. The DGE is responsible for furnishing each employee a copy of the Form 1095-C filed for that employee. Because the employer-sponsored health plan is an insured group health plan (or the employee has elected an option under the employer-sponsored health plan that is an insured option), the insurance company will report the enrollment in coverage information on a Form 1094-B and Form 1095-B, and furnish a copy of the Form 1095-B to each employee for whom a Form 1095-B was filed.

(B) ALE member with a self-insured employer-sponsored health plan (or options under the group health plan that are self-insured) that has delegated to the DGE the responsibilities for reporting the offer of coverage (section 6056) information and the enrollment in coverage (section 6055) information.

In this case, the DGE must report the offer of coverage information and the enrollment information using a Form 1094-C and a Form 1095-C for each employee for whom the governmental unit has delegated the reporting to the DGE. The Form 1094-C and Form 1095-C will identify the governmental unit as the employer and the DGE as the entity filing on behalf of the governmental unit, so that the DGE must file a separate Form 1094-C for each governmental unit that has delegated its reporting responsibilities to the DGE.

(C) ALE member with a self-insured employer-sponsored health plan (or options under the group health plan that are self-insured) that has delegated to the DGE the responsibilities for reporting the enrollment in coverage (section 6055) information but NOT the offer of coverage (section 6056) information.

In this case, the DGE will report the enrollment information on Form 1094-B and a Form 1095-B. The Form 1094-B will identify the DGE as the filer and the Form 1095-B will identify the DGE as the Issuer or Other Provider in Part III. The DGE is responsible for furnishing the employee a copy of the Form 1095-B filed for that employee. Because the governmental unit did not delegate its responsibilities for reporting the offer of coverage information, the governmental unit must report the offer of coverage information on a Form

1094-C and a Form 1095-C for each full-time employee, and not complete Form 1095-C, Part III (since the enrollment information will be provided by the DGE on a Form 1095-B).