

VT Form HC-1	HEALTH CARE FUND CONTRIBUTION ASSESSMENT	Do <u>not</u> return this form to the Vermont Department of Taxes. You must retain this form for your records for three years.
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Employer FEIN	Quarter/Year
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Uncovered Employee Count:

Did you have 5 or more full-time equivalent (FTE) employees who were all age 18 and older in the previous quarter? YES NO

If you answered **NO**, check this box to certify no Health Care Fund Contribution will be due for this quarter.

If you answered **YES**, complete section 1 or 2 below (not both) depending on the health care coverage offered by your company.

Note: For sections 1 and 2, do not report more than 520 hours for any individual employee, no matter how many actual hours the employee worked during the calendar quarter.

Section 1: Complete this if you **do not** offer to pay any part of the cost of health care coverage for **any** of your employees.

Enter the total number of hours worked by **all** employees you employed during the reporting quarter and continue to "Calculations Section," Line A.

Section 1: Total hours of uncovered employees

Section 2: Complete this if you **do** offer to pay part or all of the cost of health care coverage for **any** of your employees.

Enter the total number of hours worked by all employees in each of the following two categories:

1. Employees who are offered and eligible for coverage but choose **not** to accept the coverage and have no other health care coverage **or** have Medicaid **or** who are full-time employees and have health care coverage as individuals through the Vermont Health Benefit Exchange.

Section 2, Line 1: Hours worked by employees offered coverage but did not accept

2. Employees who are **not** eligible for the health care coverage offered to any other employees. You may exclude hours worked by a seasonal or part-time employee **as long as** you offer health care coverage to all regular, full-time employees, **and** the employee is covered by a plan other than Medicaid.

Section 2, Line 2: Hours worked by employees not offered coverage.

Section 3: Calculations Section

A. Enter the total hours worked by employees entered in Section 1 or the total of Lines 1 and 2 in Section 2. **Note: If the total is a partial hour, round down to the nearest hour.**

Line A _____

B. Divide the number of hours on Line A by 520. This is your **unadjusted** FTE count. **Note: Round down to the nearest whole number.**

Line B _____

C. Number of exempted FTEs.

Line C **4**

D. Subtract Line C from Line B. This is your **adjusted** and reportable FTE count. Enter this amount on Form WHT-436, Line 6. If equal to or less than zero, report -0-.

Line D _____

E. Multiply Line D by the appropriate amount shown in the table below. **This is your quarterly Health Care Contribution.** Enter this amount on Form WHT-436, Line 7, even if -0-.

Line E _____

HCC Premium per Uncovered FTE Employee (Line E)		
Quarter Ending Date	HCC Premium	
03/31/2016-12/31/2016	\$151.12	Use this HCC Premium amount for the calculation on Line E above.
03/31/2017-12/31/2017	\$158.77	
03/31/2018-12/31/2018	\$163.20	

Please see the Health Care Contributions Decision Tree on the reverse side of this form.

Health Care Fund Contribution Assessment Decision Tree

Note: An employer must obtain a completed Form HC-2, Declaration of Health Care Coverage, from each employee not covered (uncovered) by the health care plan offered by the employer. A failure to obtain Form HC-2 from uncovered employees could result in an employer paying a higher assessment.

Question: Did you have 5 or more employees in the previous quarter?

If **NO**, enter -0- on Line 7 of Form WHT-436. Do not continue. No Health Care Contributions will be due for this quarter. **STOP**

If **YES**, continue to the next question.

Question: Do you offer to pay any part of the cost of health care coverage for some or all of your employees?

If **NO**, complete Section 1. All employees are considered uncovered. You must **include** all hours worked for all employees in FTE calculation. **STOP**

If **YES**, complete Section 2. For each individual employee, answer the following question:

Question: For each employee, is the employee offered health coverage by you?

If **NO**, continue to the next question.

Question: 1) Do you offer coverage to all regular, full-time employees, **and** 2) can the employee be classified as "seasonal" or "part-time"?

- If **YES to both** questions, continue to the next question.
- Question:** On Form HC-2, Declaration of Health Care Coverage, did the employee check the box "I am a part-time or seasonal employee, and I do not have health care coverage or I am covered by Medicaid"?

 - If **YES**, the employee is considered uncovered, and all hours for this employee are **included** in FTE calculation.
 - If **NO**, continue to the next question.

- Question:** Did the employee work more than the time/hours allowed to be classified "seasonal" or "part-time"?

 - If **NO**, the employee is considered covered as long as you offer health care coverage to all of your regular, full-time employees, and the employee has coverage other than Medicaid. Hours are **excluded** from FTE calculation.
 - If **YES**, the employee is considered uncovered, and all hours for this employee are **included** in FTE calculation.

- If **NO to either** question, the employee is considered uncovered, and all hours are **included** in FTE calculation.

If **YES**, continue to the next question.

Question: Does the employee choose to participate in the plan?

- If **YES**, the employee is considered covered, and all hours for this employee are **excluded** from FTE calculation.
- If **NO**, continue to next question.

Question: Did the employee indicate that 1) he or she has coverage on Form HC-2, and 2) that coverage is from a source **other than** Medicaid or the Vermont Health Benefit Exchange (VHBE)?

- If **YES to both** questions, the employee is considered covered, and the employee's hours are **excluded** from FTE calculation.
- If **NO to either** question, the employee is considered uncovered, and all hours for this employee are **included** in FTE calculation.

Uncertain whether a worker is an "employee" for the purposes of this assessment? If you are responsible for Unemployment Insurance for the worker, the person is an "employee."

*See definitions for "seasonal" and "part-time" employees in the fact sheet "For Employers: Health Care Fund Contribution Assessment" at www.tax.vermont.gov.