

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	
03/31/2015-12/31/2015	\$140.84	Use this HCC Premium amount for the calculation on Line E above.
03/31/2016-12/31/2016	\$151.12	
03/31/2017-12/31/2017	\$158.77	

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.

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