

Beginning in 2015, the Patient Protection and Affordable Care Act requires employers that sponsor self-insured health plans and large employers with 50 or more full-time employees to report certain information to the IRS about the coverage that was offered to their employees. The Reschini Group will offer services to our clients in order to assist them in complying with these new reporting requirements. The cost for these services related to the 2016 reporting year will be \$6.00 per 1095 Form (Individual Statement) that has to be filed with a \$500 annual minimum charge. If you would like The Reschini Group to complete your 2016 IRS forms for ACA reporting, please complete and sign the Engagement Agreement and Request for Information Form and return along with a \$500.00 non-refundable deposit to the following:

*Checks Payable to: Reschini Agency, Inc.*

Mail to: The Reschini Group  
Attn: Linda Stiteler  
Laurel Place, 922 Philadelphia St.  
Indiana, PA 15701-3940

A payment of \$500 is due with the execution of this agreement; the remaining balance will be billed after the 1095 forms are mailed in January 2017.

***This proposal is good until September 30, 2016. If your signed agreement, request for information sheet, and payment are not received by September 30, 2016, the proposed fees above are not applicable. A new proposal with additional (late) fees will apply for those returned after September 30, 2016.***

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## ENGAGEMENT AGREEMENT

By signing this Engagement Agreement, \_\_\_\_\_ [Insert Full Legal Name of Entity] (“**You**” or “**Your**”) agree to retain The Reschini Group (“**Reschini**”) to assist You in the completion of Your reporting requirements mandated by the Patient Protection and Affordable Care Act (the “**ACA**”) as codified in Sections 6055 and 6056 of the Internal Revenue Code (the “**IRC**”). As part of this engagement, Reschini will use the information that it is able to obtain through its databases coupled with the information that You provide to generate and complete Your IRS Forms 1094 and 1095 (collectively the “**Forms**”).

- A. You agree to provide Reschini with any and all information that Reschini reasonably requests in a timely manner, and acknowledge that Your failure to timely respond to any request may delay and/or prohibit Reschini from providing You with copies of the completed Forms, and may prevent Reschini from assisting You in Your compliance with the time frames prescribed by the ACA and/or the IRC.
- B. Reschini will periodically request that You validate the information being reported on the 1094 and 1095 Forms, and You agree to review that information and immediately notify Reschini as soon as practical of any errors, changes, or omissions

that must be corrected. You understand and agree that the deadline to remit the 1095 Forms to Your employees is January 31, ***time being of the essence***. You acknowledge that Your failure to validate, review and correct the information may prevent Reschini from assisting You in Your compliance with the requirements of the ACA and/or the IRC.

- C. Based upon the information You provide, Reschini will undertake the mailing of Your 1095 Forms to all individuals for whom a 1095 Form was prepared for You. Reschini will send each 1095 Form to each individual's address that you have independently verified by January 31, or such other and appropriate deadlines as determined from time to time by the ACA and/or the IRC.
- D. Reschini will undertake the filing of Your 1094 and 1095 Forms with the Internal Revenue Service in a timely manner, but in any event, not later than the deadlines set forth by the ACA and/or the IRC. In the event that Reschini is unable to file Your 1094 and 1095 Forms by the deadlines set forth by the ACA and/or the IRC, Reschini will notify You of its inability to file for You and the reasons why, and, upon such notification, the responsibility to file Your 1094 and 1095 Forms with the Internal Revenue Service will be Your responsibility.
- E. You understand and agree that compliance with, and reporting under Sections 6055 and/or 6056 is solely Your responsibility, and that Reschini shall not be liable for any fines, penalties, or other damages that result from incorrect information printed on either the 1094 or 1095 Forms, or from Your failure to fully comply with the terms of the statutes. You agree to indemnify and hold Reschini harmless from and against any action, suit or proceeding arising or resulting from these ACA and IRC obligations, along with any related issue that arises from Reschini's use of outside entities described in paragraph H below, unless You incur any actual damages caused by Reschini's criminal or fraudulent acts or willful misconduct.
- F. In exchange for Reschini providing this service to You, You agree to pay Reschini \$6.00 per 1095 Form that is completed, with a minimum annual payment of \$500.00.
- G. For self-insured entities, the information needed for these ACA and/or IRC reporting requirements may qualify as "Protected Health Information" and/or "Electronic Protected Health Information" and therefore may fall under the protections of the Health Insurance Portability And Accountability Act of 1996 ("HIPAA") and its related regulations. Accordingly, the exchange of information between You and Reschini will be governed by the Business Associate Agreement existing between You and Reschini. If You are self-insured and have not signed a Business Associate Agreement with Reschini, You will notify Reschini immediately, one will be provided to You, and You undertake to execute and return such Business Associate Agreement to Reschini as soon as practically possible. Reschini will not be able to assist You in any reporting requirements under this Engagement Agreement without having a signed Business Associate Agreement if You are self-insured.

- H. Reschini may contract with an outside entity to help code, process and print Your forms. In the event that there is an issue of any kind with such outside entity, Reschini will use its best efforts to resolve the issue. Reschini may ask for Your cooperation in addressing any issues that arise and You promise to provide Reschini with whatever applicable information requested in a timely manner. As set forth in Paragraph E above, You agree to indemnify and hold Reschini harmless unless You incur any actual damages caused by Reschini's criminal or fraudulent acts or willful misconduct.
- I. This Engagement Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without regard to the principals thereof regarding conflict of laws.
- J. Should any provision of this Engagement Agreement or the application thereof to any person, property, or circumstance be determined to any extent by any court to be illegal, invalid, and/or unenforceable, the validity of the remaining parts, terms and provisions of this Engagement Agreement shall not be affected. Each term and provision of this Engagement Agreement shall be valid and enforceable to the fullest extent of the law.
- K. This Engagement Agreement may not be amended, changed or modified in any manner except by an instrument in writing signed by You and Reschini. The failure of You or Reschini to enforce at any time any of the provisions of this Engagement Agreement shall in no way be a waiver of such provision or any way affect the validity of this Engagement Agreement or any part thereof or the right of You or Reschini thereafter to enforce each and any such provision. No waiver of any breach of this Engagement Agreement shall be held to be a waiver of any other breach of this Engagement Agreement.
- L. This Engagement Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, successors, assignees, and beneficiaries in interest; provided, however, that this Engagement Agreement may not be assigned by either party without the written consent of the other party.
- M. This Engagement Agreement may be executed in multiple counterparts which, when taken together, shall be considered one instrument.
- N. This Engagement Agreement constitutes the entire agreement between You and Reschini with respect to the subject matter hereof and shall supersede all previous negotiations, commitments or writings with respect to this matter.
- N. You warrant that this Engagement Agreement has been duly and validly executed and constitutes a legal, valid, binding, and voluntary agreement between You and Reschini, enforceable in accordance with its terms.

By signing below, You consent to the terms of this Engagement Agreement and agree to retain Reschini for the purposes stated herein.

\_\_\_\_\_  
[Signature]

\_\_\_\_\_  
Date

Name: \_\_\_\_\_

Title: \_\_\_\_\_

On behalf of:

\_\_\_\_\_  
Reporting Entity

## FIRST REQUEST FOR INFORMATION

The number of full-time employees and full-time equivalent employees that you employ will determine which IRS forms need to be completed and filed.

Please check the box that matches your employment situation:

<p>Employer With 50 or More Full-Time Employees Including Full-Time Equivalent Employees</p> <p>Form 1094-C and Form 1095-C</p> <p><input type="checkbox"/> fully insured</p> <p><input type="checkbox"/> self-insured</p>	<p>Self Insured Employer with 49 or Less Full-Time Employees Including Full-Time Equivalent Employees</p> <p>Form 1094-B and Form 1095-B</p> <p><input type="checkbox"/></p>
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Please estimate the following information:

Number Of Full-Time Employees \_\_\_\_\_

Current Estimate of Total Number of Employees \_\_\_\_\_

Number Of Non-Full-Time Employees On Coverage Throughout The Year \_\_\_\_\_

Number Of COBRA Participants Throughout The Year \_\_\_\_\_

Number Of Retirees On Coverage \_\_\_\_\_

Do you have a spousal provision that makes your offer of spousal coverage conditional upon other coverage that the spouse may have?

YES \_\_\_\_\_

NO ☒ \_\_\_\_\_

Do you offer a waiver plan?

YES ☒ \_\_\_\_\_

NO \_\_\_\_\_

If yes, is the waiver payment conditional upon anything, such as the employee providing proof of other coverage?

YES ☐ \_\_\_\_\_

NO ☒ \_\_\_\_\_

Please provide the following:

Complete Legal Name: \_\_\_\_\_

EIN: \_\_\_\_\_

Full Address (including city, state, and zip): \_\_\_\_\_

\_\_\_\_\_

Contact Person for Employer Reporting: \_\_\_\_\_

Phone Number for Contact: \_\_\_\_\_

E-mail Address for Contact: \_\_\_\_\_

While The Reschini Group has access to some of the information that will need to be reported, there are certain pieces of information that are outside of our databases and will need to be supplied by the employer. These could include, but are not limited to the following:

- Your full legal name, address, and EIN;
- Number of full-time employees for each month;
- Number of total overall employees for each month;
- Name and Telephone No. of the person whom you have designated as your ACA contact;
- Names, Addresses, Social Security Numbers, hire dates and termination dates of your full-time employees who were offered and accepted coverage;
- Names, Addresses, Social Security Numbers, hire dates and termination dates of your full-time employees who either waived coverage or were not offered coverage;
- Whether the offer of coverage made to each full-time employee was to the:
  - Employee only;
  - Employee and Spouse only;
  - Employee, Spouse and Dependents;
  - Employee and Dependents, but not Spouse; or whether
  - No offer of coverage was made;
- The months that the offer of coverage was made, if any, and whether there was a change in the offer of coverage made;
- If no offer of coverage was made, whether there was a reason that no offer was made, such as:
  - Not employed during the month;
  - Not a full-time employee during the month; or
  - Employed, but in a measurement period; and
- The lowest premium co-share cost for the self-only coverage offered, regardless of whether the employee took a more expensive plan, and whether that lowest premium co-share for self-only coverage was less than 9.5% of that employee's W-2 earnings.
- Enrollment by month, including dependent information and dependent social security numbers.

Over the next couple of months, Reschini will work with you to obtain the needed information.

The Reschini Group will also provide information for you to attempt to obtain any social security numbers from individuals currently on your group health plan that are missing from the source records. These letters should come directly from you, and should be printed on your own letterhead. Additional information and instructions will be provided with the letters.