



United States Office of Personnel Management  
Healthcare and Insurance

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## Benefits Administration Letter

**Number:** 24-202

**Date:** Jan 28, 2025

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### **Subject: Information to Fulfill Mandatory Reporting Requirements for Plan Year 2024 under Internal Revenue Code Sections 6056 and 4980H**

#### **Purpose**

Employers, including Federal agencies, are subject to the Employer Shared Responsibility (ESR) provisions under sections 6056 and 4980H of the Internal Revenue Code (IRC). This Benefits Administration Letter (BAL) provides information to assist Federal agencies with reporting in 2025 for health insurance coverage in 2024. This BAL provides updates on affordability safe harbors and the lowest-cost Federal Employees Health Benefits (FEHB) plan for the 2024 plan year. Please refer to [BAL 15-204](#) for comprehensive guidance on IRC 6056 reporting.

#### **IRS Required Deadlines**

For health coverage provided in 2024, agencies should furnish statements to full-time employees using 2024 Form 1095-C on or before January 31, 2025; however, agencies will be granted an automatic extension of time, not to exceed 30 days after January 31, during which they must furnish statements to full-time employees.<sup>1</sup> The deadline for agencies to file Forms [1094-C](#) and [1095-C](#) with the IRS is February 28, 2025, if filing on paper, or March 31, 2025, if filing electronically.<sup>2</sup> The previously provided relief from

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<sup>1</sup> 26 CFR 1.6055-1(g)(4)

<sup>2</sup> 26 CFR 1.6055-1(f)(1)

certain penalties associated with incorrect or incomplete information is not available for tax year 2022 and subsequent years; however, extended deadlines for furnishing statements to employees remain in effect.<sup>3</sup>

## Affordability

Health coverage is considered affordable when the employee's share of the premium for the Self Only coverage offered to the employee would cost the employee less than 8.39 percent of that employee's annual household income.<sup>4</sup> For purposes of ESR reporting for calendar year 2024, the lowest-cost FEHB plan, as determined under 5 CFR 890.301(n),<sup>5</sup> will in most cases be the GEHA Indemnity Benefit Plan (IBP) Elevate Option, Self Only, enrollment code 254. The GEHA IBP is the lowest-cost nationwide plan without membership fees, which for 2024, had a cost share for non-Postal employees and annuitants of \$113.13 per month or \$1,357.46<sup>6</sup> per year. Agencies may request further information on affordability as it relates to the FEHB Program at [ESR@opm.gov](mailto:ESR@opm.gov).

### A. Affordability Safe Harbors

For calendar year 2024, the GEHA IBP Elevate Option, Self Only enrollment type meets the threshold for the Form W-2 safe harbor for employees working a 40-hour schedule and employed as a Grade 1, Step 1 on the General Schedule.<sup>7</sup> For calendar year 2024, the GEHA IBP Elevate Option, Self Only enrollment type may meet the threshold for the rate of pay safe harbor for hourly employees (non-salaried), depending on the number of hours worked and their hourly rate. It does not meet the threshold for the federal poverty line (FPL) safe harbor using the 2024 FPL.<sup>8</sup> Agencies may request

<sup>3</sup> See [Final Rule Information Reporting of Health Insurance Coverage and Other Issues](#).

<sup>4</sup> [IRS Rev. Proc. 2023-29](#), the affordability threshold for 2024 is 8.39%.

<sup>5</sup> The lowest-cost nationwide plan option identified may not be a High Deductible Health Plan (HDHP) or an option from a health benefits plan that charges an association or membership fee.

<sup>6</sup>  $\$52.21 \text{ (bi-weekly rate)} \times 26 = \$1,357.46$

<sup>7</sup> The W-2 Safe Harbor calculation using the [2024 Grade 1, Step 1 Salary](#):  $\$21,986 \times 8.39\% = \$1,844.63$ .

<sup>8</sup> Under [79 FR 8544](#), employers may use the [FPL](#) in effect 6 months prior to the beginning of the plan year. For 2024 plan year, using the published FPL rate in effect 6 months prior to the beginning of the plan year, the FPL safe harbor calculation is  $(\$14,580 \times 8.39\%)/12 = \$101.94$  per month for self only coverage. The FPL Safe Harbor calculation using the 2024 FPL is  $(\$15,060 \times 8.39\%)/12 = \$105.29$  for self only coverage.

further information on the safe harbors as they relate to the FEHB Program at [ESR@opm.gov](mailto:ESR@opm.gov).

## B. Regional Low-Cost Plans

Certain regional FEHB plans have a lower enrollee cost than the GEHA IBP Elevate Option, Self Only plan for calendar year 2024. A list of these plans is below by plan name, code, option, and 2024 Enrollee Share (monthly Self Only premium):

Plan Name	Plan Code	Plan Option Type	Enrollee Share (Monthly Self Only Premium)
Take Care	KX1	HDHP	\$38.78
Kaiser Foundation Health Plan of Washington	PT4	Prosper	\$99.45
Kaiser Foundation Health Plan of Southern California	FL1	Prosper	\$99.79
Medical Mutual of Ohio (Southwest)	YF1	Basic	\$100.03
Calvo's SelectCare	B44	Standard	\$100.20
Medical Mutual of Ohio	UX1	Basic	\$101.65
Kaiser Foundation Health Plan Mid-Atlantic States	T71	Prosper	\$106.25
Kaiser Foundation Health Plan of Northwest	AM1	Prosper	\$109.77
Triple-S	891	High	\$111.10
Kaiser Foundation Health Plan of Colorado	N41	Prosper	\$112.64

Please contact [ESR@opm.gov](mailto:ESR@opm.gov) to request specific plan ZIP code information.

## Certification of Eligibility

Alternative methods of reporting under section 6056 were developed by the IRS to offer a simplified method of employer reporting, as explained in [BAL 15-204](#). For calendar year 2024, the qualifying offer method<sup>9</sup> is applicable to Federal agencies. Agencies may

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<sup>9</sup> 26 CFR 301.6056-1(j)(1)

use the 98 percent method<sup>10</sup> if 98 percent of their full-time employees have been offered affordable health insurance in calendar year 2024.

If you have questions related to ESR reporting under section 6056 you may call the IRS Healthcare Hotline at 800-919-0452. If you have any questions regarding this BAL, please email [ESR@opm.gov](mailto:ESR@opm.gov).

Sincerely,

Laurie Bodenheimer  
Associate Director  
Healthcare and Insurance

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<sup>10</sup> 26 CFR 301.6056-1(j)(2)