

Administered by Benefit Solutions Inc,
PO Box 6, Mukilteo WA 98275
Phone: 425-771-7359 Fax: 206-859-2623 Email: wfbh@bsitpa.com

WASHINGTON FARM BUREAU HEALTH CARE TRUST

The Board of Trustees of the Washington Farm Bureau Health Care Trust (“Trust”) is providing you with this notice containing information about the Trust’s group health plans (“Plan”). The Trust understands that participating employers may need this information in order to comply with reporting requirements under the Patient Protection and Affordable Care Act (“ACA”).

1. Does the Trust “offer” coverage to employees and dependents?

Trust Plans include coverage for eligible employees and/or dependents. For ACA purposes, the Trust, itself, does not “offer” coverage. Offers of coverage must be made by the participating employer to the employer’s eligible employees and/or dependents. Eligible employees are defined by the employer, subject to the employer’s group master application. An offer of coverage may have been made even if the employee does not enroll in the Plan.

2. Do the Trust’s Plans provide “minimum essential coverage?”

Yes. All of the Trust’s group health plans qualify as minimum essential coverage.

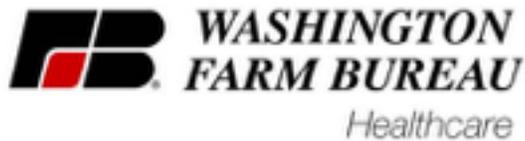
3. Do the Trust’s Plans provide “minimum value?”

Yes. All of the Trust’s group health plans meet the minimum value requirements under the ACA.

4. Is coverage under the Trust’s Plans “affordable?”

The Trust receives a required monthly premium amount for each plan it offers. The allocation of the cost between the employer and employee is set by the employer, subject to certain underwriting requirements. As a result, the Trust does not know the cost being paid by the employee and therefore cannot confirm whether coverage is “affordable.”

Coverage is “affordable” if no full time employee is required to pay more than 9.5% of his/her “household income” for self-only coverage under the employer’s lowest-cost option group health plan that provides minimum value. Affordability is determined



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by reference to the taxpayer's household income. Because an employer generally will not know the taxpayer employee's household income, IRS regulations set forth three separate safe harbors under which an employer could determine affordability based on information that is readily available to the employer. These three safe harbors are (1) the Form W-2 wages safe harbor, (2) the rate of pay safe harbor, and (3) the federal poverty line safe harbor. If an employer meets the requirements of the safe harbor, the offer of coverage is deemed affordable. For assistance in applying these rules, please contact your legal advisor.

5. Will the Trust assist Large Employers in completing their Form 1095-C filings?

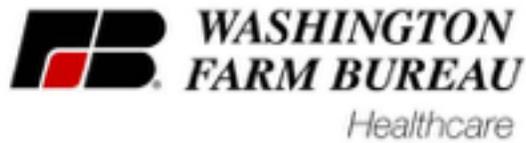
If your business meets the definition of "applicable large employer" it must submit IRS Form 1095 returns to the IRS and furnish full-time employees statements beginning in early 2016 to report information about coverage offered in 2015. An applicable large employer is defined as an employer which employs the equivalent of 50 or more full-time employees plus full-time equivalents during the preceding year.

The distribution of Form 1095-C to full-time employees, and filing with the IRS, is the employer's responsibility. The Trust does, however, intend to assist employers with their legal responsibilities by providing needed information. If you have questions about reporting for full-time employees, including those who were offered other coverage, you should consult your legal advisor, benefits advisor, or coverage provider.

Upon request, the Trust will provide you with the name of each individual for whom premiums have been received from the employer by the Trust for one month or more, their social security number or date of birth (if SSN is unavailable), and the months for which premiums have been received by the Trust. The Trust will provide this information in an Excel spreadsheet. Please note due to HIPAA privacy protections, we will not be supplying data on COBRA coverage.

To request this information, please log into your SIMON account and select the "Medical Coverage report" button. Should you need to request SIMON access or would like the report sent to you via secure email, please submit a request to tquincy@bsitpa.com.

Please note with regards to Line 15 of Form 1095-C, if applicable, the Employer will need to perform the calculation based on the premium cost for Employee only



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coverage and the Employee cost sharing required by the Employer. Should you have any questions on premium cost please contact your broker.

Part III of Form 1095-C is only required to be completed for self-insured coverage. This section does not need to be completed for the Trust's coverage because the Trust's coverage is fully insured; however, an employer may need to complete this section if it has a self-funded group health plan, such as a self-funded HRA.

Other information, such as hire date, termination date, or wages, is not available to the Trust and cannot be provided.

6. Who is responsible for sending Form 1095-B to the employer's employees?

The Trust's insurer will provide Form 1095-B to employees participating in the Trust's plans.