



**Checklist for Producing Accurate 2020 ACA Forms**

# Agenda

---



- ⌚ Do you need to comply with ACA?
- ⌚ ACA Reporting Deadlines
- ⌚ Recent 2020 Updates to ACA Reporting
- ⌚ Overview of helpful guides and resources to assist with your ACA review
- ⌚ Checklist of items to review for accurate ACA forms

# Do We Need to Comply with ACA?



If a Large Employer does not offer Affordable health Coverage that provides minimum essential coverage to their Full-time employees (and their dependents), the employer may be subject to an Employer Shared Responsibility Payment (i.e. penalty).

**STEP 1:** You Must Determine if you are a Large Employer



# Are you a Large Employer?



You are an Applicable Large Employer (ALE) if you have 50 or more “full-time” or “full-time equivalent” employees in the previous calendar year. To determine if you need to report this year, you will look at 2019. Determining if you are an ALE is calculated using the steps below:

## **Step 1 Count Full-Time Employees**

EE that works an average of 30 hours per week or 130 hours in a month

## **Step 2 Count Full-Time Equivalent Employees**

For each Part-Time, Seasonal, Temp employee look at each month of the calendar year, add the total number of hours worked for that month and divide by 120

## **Step 3 Calculate your total**

Add the total of FTE and FT EES for each month and then divide by 12 to determine the average number of employees for the year.

## **Step 4 Seasonal Worker Exception**

If exceeded 50 FTES for 120 days (4 months) or fewer, and the employees in excess of 50 who were employed during that period of no more than 120 days were seasonal workers, you are not considered an ALE

# ACA Large Employer Compliance Test Report



Client ID: 1000	ACA LARGE EMPLOYER COMPLIANCE TEST	From Date: 1/1/2017
Client: Acme Corporation		To Date: 12/31/2017
Companies: Acme Corporation , Acme LTD		
Report Generated on: 4/12/2018 3:01:02 PM		

**IMPORTANT NOTE:** In determining whether an employer is an applicable large employer, you must include all entities as a single employer under §§414(b), (c), (m), and (o) of the Internal Revenue Code. Thus, all employees of a controlled group of entities under §414(b) or (c), an affiliated service group under §414(m), or under §414(o) are taken into account in determining applicable large employer status. Also, you must include any predecessor employer and successor employer.

Report Total												
	Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017
Full Time Employee Count	60	60	60	60	61	62	63	64	62	63	65	65
Total Hours for FTE Calculation	0.00	0.00	0.00	241.00	0.00	0.00	0.00	0.00	1,284.00	0.00	0.00	0.00
FTE Count	0	0	0	2.01	0	0	0	0	10.7	0	0	0
Total FTE Count	60	60	60	62.01	61	62	63	64	72.7	63	65	65

For Applicable Large Employer determination your FTE employee count is:

63

Based on your average Total FTE Count, you ARE an Applicable Large Employer

## Special Notes on Applicable Large Employer Compliance Results:

1. IRS safe harbor allows for a 6-month consecutive look back calculation in determining ALE status for Reporting year 2015.
2. For Reporting year 2015, Applicable Large Employers of 50-99 FTEs are not subject to the Employer Shared Responsibility Penalties but are still subject to the reporting requirements.
3. This report does not take into account that, solely for purposes of determining whether an employer is an applicable large employer for any month, an individual shall not count as an employee for such month if such individual has medical coverage for the month under (1) chapter 55 of title 10, United States Code, including coverage under the TRICARE program or (2) under a health care program under chapter 17 or 18 of title 38, United State Code, as determined by the Secretary of Veterans Affairs, in coordination with the Secretary of Health and Human Services and the Secretary.

No employees were designated as seasonal.

**NOTE:** Your employees must be classified with the correct employment categories for this report to be accurate

# ACA Reporting Deadlines



## IRS Deadlines:

1095-C or 1095-B Participant Statements	Postmarked to employees by March 2, 2021
1094-C or 1094-B Employer Statements	February 28, 2021 (paper filing) or March 31, 2021 (electronic filing).

## CTR Deadlines:

Previewing your ACA Forms	You may begin previewing your ACA Forms Now!
Approving your ACA Forms	Must be approved by <b>January 15, 2021</b> . If you would like an extension, please email <a href="mailto:aca@ctrhcm.com">aca@ctrhcm.com</a> to request an extension.



# Some Clarifications & Changes to the 2020 ACA Forms



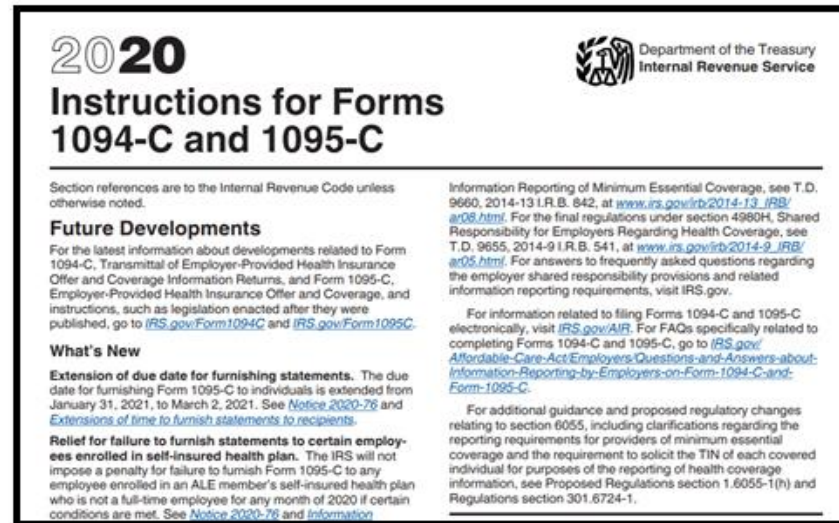
## What is New?

### **Extension of good faith relief for reporting and furnishing**

The IRS will not impose a penalty for reporting incorrect or incomplete information if you make a good faith effort to comply with the information reporting requirements.

### **Individual Coverage Health Reimbursement Arrangement**

For plan years beginning on or after January 1, 2020, employers may offer HRAs integrated with individual health insurance coverage or Medicare, subject to certain conditions (individual coverage HRAs). Generally, an HRA, including an individual coverage HRA, is a self-insured group health plan and, therefore, is an eligible employer-sponsored plan. Employees must be enrolled in individual health coverage. Employees must be enrolled in individual health insurance coverage (like a plan they bought through the Marketplace) to use the funds



# Some Clarifications & Changes to the 2020 ACA Forms

---



## **What are Individual Coverage HRAs?**

Reimburses employees for their medical expenses up to a max dollar amount provided by the employer annually. Unused amounts may be rolled over to following years. Employees must enroll in individual health coverage or Medicare (i.e through the individual market open enrollment from Nov 1 through December 15)

## **Why is the Benefit of the Individual HRA?**

This was added as an ACA approved form of health coverage to allow small employers who would absorb larger administrative costs for a group health plan

## **What are the guidelines for ACA Reporting?**

The plan must still be affordable. The employer must contribute a sufficient amount to the HRA for the plan to be affordable.

## **Additional Resources**

[https://www.irs.gov/pub/irs-utl/health\\_reimbursement\\_arrangements\\_faqs.pdf](https://www.irs.gov/pub/irs-utl/health_reimbursement_arrangements_faqs.pdf)

<https://www.irs.gov/newsroom/health-reimbursement-arrangements-hras>



# State ACA Reporting Requirements



**New Jersey-** The state requires ALEs to use IRS Forms 1095-C and 1094-C to file health information to the state. State level reporting must be filed by the IRS Deadline (April 15, 2021). Employee statements (1095-C) are due to employees by March 2, 2021. Employers based out of state that withhold and remit New Jersey Gross Income Tax for New Jersey residents must file.

**District of Columbia-** Employers who employ D.C. residents must file 1095-C and 1094-C forms with the state. Employers are required to report within 30 days after the IRS deadline and employee forms (1095-C) must be provided by the federal deadline (March 2, 2021).

**Massachusetts-** Massachusetts requires a 1099-HC. If you have employees in Massachusetts most insurance companies file the forms on the employer's behalf and send the state a reporting listing all the Form 1099-HCs they issued. Employers must file a Health Insurance Responsibility Disclosure (HIRD) form which collects employer-level information about your employer-sponsored health plan through the MassTaxConnect web portal.

**California- New 2020!** Employers must file annually by March 30th (date was extended to May 31, 2021). The employee statements must be provided by January 21, 2021. Information may be reported on form 1095-C , Part III, for spouses and dependents enrolled in coverage. For fully-insured plans, employers may rely on their insurer to report information about each employee enrolled.

**Rhode Island- New 2020!** Employers who offered healthcare to Rhode Island residents must distribute forms 1095-B or 1095-C (as applicable) to employees by March 2, 2021 and submit the IRS forms 1095-C/B to the Rhode Island Division of Taxation (DOT) by March 31, 2021. Employers with a fully-insured health plan are not required to complete the distribution or reporting requirement if their insurance carrier is handling this for them. Self-insured employers must meet the requirement.

**Vermont- New 2020!** Currently there are no additional ACA Requirements for employers.

**Additional States Considering State Mandates-** Hawaii, Washington, Connecticut, Minnesota, and Maryland.

# IRS Penalty Notices



- The IRS is sending the Letter 226-J Penalty Notices
- The codes on the 1095-C and 1094-C Forms Matter!
- If your forms indicate that you failed to offer coverage to a FT Employee for a month you are exposed to a potential penalty (**Code 1H in Line 14 and a Blank in Line 16**)
- If your forms indicate that the coverage offered to a FT Employee was not affordable for the month (i.e. **there is no safe harbor codes listed in Line 16 for employees who waived coverage**) then you are exposed to a potential penalty



Department of the Treasury  
Internal Revenue Service

Taxpayer Name  
Taxpayer Address  
City, ST Zip code

Date:  
02/13/2018  
Tax year:  
YYYY  
Employer ID number:  
#####  
Person to contact:  
Contact Name  
Employee ID number:  
#####  
Contact telephone number:  
(###) ###-####  
Contact e-fax number:  
(###) ###-####  
Response date:  
03/05/2018

Dear Taxpayer:

We have made a preliminary calculation of the Employer Shared Responsibility Payment (ESRP) that you owe

**Proposed ESRP \$0.00**

Our records show that you filed one or more Forms 1095-C, Employer-Provided Health Insurance Offer and Coverage, and one or more Forms 1094-C, Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns, with the IRS. Our records also show that for one or more months of the year at least one of the full-time employees you identified on Form 1095-C was allowed the premium tax credit (PTC) on his or her individual income tax return filed with the IRS. Based on this information, we are proposing that you owe an ESRP for one or more months of the year.

# IRS Penalty Notices



- Additionally some clients who were close to the 50 FTE threshold received letters from the IRS stating that according to IRS records the employer may have been required to report
- The IRS then requires a formal response from the client proving the client was not required to report
- If you are on the borderline, it is crucial that you do the proper analysis to determine whether you are required to comply.



Department of the Treasury  
Internal Revenue Service

Taxpayer Name  
Taxpayer Address  
City, ST Zip code

Date:  
02/13/2018  
Tax year:  
YYYY  
Employer ID number:  
#####  
Person to contact:  
Contact Name  
Employee ID number:  
#####  
Contact telephone number:  
(###) ###-####  
Contact e-fax number:  
(###) ###-####  
Response date:  
03/05/2018

Dear Taxpayer:

We have made a preliminary calculation of the Employer Shared Responsibility Payment (ESRP) that you owe

**Proposed ESRP \$0.00**

Our records show that you filed one or more Forms 1095-C, Employer-Provided Health Insurance Offer and Coverage, and one or more Forms 1094-C, Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns, with the IRS. Our records also show that for one or more months of the year at least one of the full-time employees you identified on Form 1095-C was allowed the premium tax credit (PTC) on his or her individual income tax return filed with the IRS. Based on this information, we are proposing that you owe an ESRP for one or more months of the year.



# Reminder for Conditional Offers

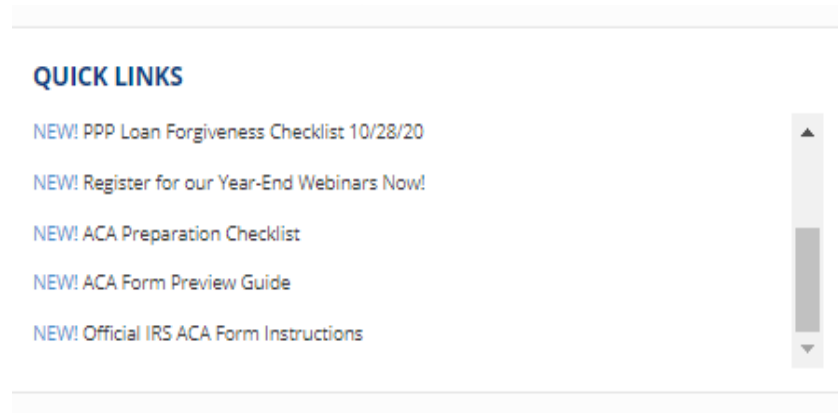
- **New Codes on the 1095-C-** In 2016, the IRS introduced two new codes (1J and 1K) to be used in Part II Line 14 (Employee Offer of Coverage). These codes will be used when an employer makes a “conditional” offer of coverage. For example, an offer of coverage that is available to a spouse only when he/she certifies that he/she does not have access to health coverage from another employer.
  - **Code 1J:** Minimum Essential Coverage providing minimum value offered to employee; minimum essential coverage conditionally offered to your spouse and minimum essential coverage NOT offered to dependents.
  - **Code 1K:** Minimum Essential Coverage providing minimum value offered to employee; minimum essential coverage offered conditionally to the spouse; and minimum essential coverage offered to your dependents.

**Note: If you are making conditional offers of coverage to spouses and would therefore require these codes, please contact us so that we may add the conditional offer of coverage selection to your ACA Forms.**

# Helpful Tools



- ✓ Complete the 2020 ACA Checklist under Quick Links on your iSolved Landing Page
- ✓ Use the ACA Form Preview Guide under Quick Links to assist with previewing your ACA Forms
- ✓ We will have an additional webinar on December 10, 2020 from 1-2pm. This webinar will assist you with reviewing the codes on your ACA Forms. You can register for this webinar now under Quick Links on the iSolved Landing. Click on the link Year-End Webinars





# Verify Employment Categories



- ✓ All employees must be assigned the correct Employment Category with an effective date = to their Hire Date
- ✓ Employment Category changes must be noted by clicking “Add New” and adding the effective date of each employment category change.
- ✓ Verify that all employment category changes for 2020 are noted for each employee
- ✓ Variable hour employees who have completed a measurement period and have averaged over 30 hours should have a new record with “Hours met for ACA FT Status” checked

**iSolved** Human Capital Management Delivered by Coastal Payroll Services

---

Nicole Curtner

EMPLOYEE MANAGEMENT

Employee Maintenance <  
General  
Personal  
Employer I-9 Verification  
Clock Settings  
Employment  
Employment Status History  
Jobs  
Organization Manager/Supervi...  
Organizations  
Labor

EMPLOYEE SELF SERVICE  
CLIENT MANAGEMENT  
PAYROLL PROCESSING  
REPORTING  
SYSTEM MANAGEMENT  
SECURITY  
PRODUCTION UTILITIES  
CONVERSION MANAGEMENT  
CUSTOMER SERVICE

< 1 of 3 >

Q

Jane Doe  
Employee#: 1 Status: Active

Pay Group: Bi-Weekly  
Hire Date: 7/1/2016

Salary: 3269.23  
Work Location: SAN DIEGO, CA

Department: 100

Client: SDJGIO - Jackie's Company  
Company: Jackie's Company (Active)

Help

### Employment

Employment: Employed From 7/1/2016 to Current Filter

Effective Date	Employment Category	ACA Status	Hours met for ACA FT Status	Statutory	Qualified Pension	Highly Compensated	Corporate Officer	Ownership Percent
7/1/2016	Part Time	ACA Variable						
9/1/2016	Part Time	ACA Variable	✓					

+ Add New Edit Delete Refresh Save Cancel

#### Employment Category Information

\* Effective Date: 9/1/2016

\* Employment Category: Part Time

ACA Employment Status: ACA Variable

☒ Hours (e.g., Variable) met for ACA Full-time Status

☐ Statutory Employee

☐ Qualified Pension Plan

☐ Highly Compensated

☐ Corporate Officer

Ownership Percent:

Full Time Equivalent:

Change Reason:





# Verify Look Back Measurement Periods



If you currently have Variable Hour Employees and you track their ACA FT Status via a look-back measurement period, you must verify that your measurement policies are setup correctly in iSolved. You will find this under Client Management>ACA Setup Options>ACA Measurement Policies. You should review all three tabs and ensure the setup is correct.

You must have Measurement Policies setup in iSolved for the correct Code (Code 2D) to appear on the 1095-C forms in Box 16 for employees who were in a “Limited Non-Assessment” Period or Look Back Measurement Period during the year.

## ACA Measurement Policies

Policy Group

Monthly Measurement Period

12 Month Look-Back Measurement Period

Policies	Eligibility	Ongoing Measurement Periods			
SMP Start Date	SMP Stop Date	SAP Start Date	SAP Stop Date	SSP Start Date	SSP Stop Date
11/01/2015	10/31/2016	11/01/2016	12/31/2016	01/01/2017	12/31/2017
11/01/2016	10/31/2017	11/01/2017	12/31/2017	01/01/2018	12/31/2018
11/01/2017	10/31/2018	11/01/2018	12/31/2018	01/01/2019	12/31/2019

+ Add New

Edit

Delete

Refresh

Save

Cancel

Standard Measurement Period

\* Start Date: 11/1/2017

Standard Administrative Period

\* Start Date: 11/1/2018

Standard Stability Period

\* Start Date: 1/1/2019

\* Stop Date: 12/31/2019

# ✓ Verify Medical Start and Stop Dates



- ✓ Enter the correct medical “Start Date.” If the employee was offered coverage the entire month the start date should be the first of the month.
- ✓ For employees who were employed all of 2020 make sure there is a start date of 1/1/2020 or prior on their plan
- ✓ Enter the correct “Stop Date” on the medical plan. If the employee had coverage through the end of the month use the last day of the month.
- ✓ If an employee changed plans mid-year, put a stop date on the current plan and then click “Add New” and enter the start date of the new plan making sure there is no gap in coverage.

1 of 50 **Jacob Able** Pay Group: Semi Salary: 1040.04 Department: 100 Job:  
Employee#: 0001 Status: Active Hire Date: 3/1/1999 Work Location: BUFFAL... Division: Cost Center:

### Benefit Plans

Status: Active

Start Date	Benefit	Benefit Plan	Override Plan Limit
5/5/2014	401(k)	401(k)	
5/5/2014	Dental	Dental	
1/1/2014	Medical PPO	Medical PPO	

+ Add New Edit Delete Refresh Save Cancel

#### Benefit Plan

\* Plan: Medical PPO - BlueCross/BlueShield

\* Start Date: 1/1/2014

\* Coverage: EE ONLY - Employee Only

Per Pay Amount: 100.00

Stop Date:



# Verify Hire, Rehire & Termination Dates



- ✓ Employees must have accurate termination dates in iSolved for ACA Reporting.
- ✓ Terminate employees using the “Terminate” button on the “General” Screen under Employee Management>Employee Maintenance.
- ✓ DO NOT mark an employee as “Inactive” on the General Screen.
- ✓ Inactive employees will not show properly on the ACA Reports

**Employee Management**

Employee Summary  
New Hire Wizard  
Quick Hire  
Employee Maintenance <  
**General**  
Personal  
Employment  
Employment Status History  
Jobs  
Organization Manager/Supervi...  
Organizations

**General**

Save Cancel Terminate

**Employee Name**

\* First Name: jacob  
Middle Name:  
\* Last Name: Able  
Prefix:  
Suffix:

**Employment Information**

\* Status: Active  
\* Hire Date: 3/1/1999  
Adjusted Service Date:  
\* Employee Number: 0001  
\* Employment Category: Part Time  
Timeclock ID: 7002  
☐ Include In Next New Hire Report

**Employee Address**

Address: 555 Keystone Dr  
\* Zip Code: 15086  
Hit Enter Key in zip code field to retrieve city list.

**Tax Location**

\* Residence Location: PA0033346  
Resident PSD Code: 710703





# Verify Hire, Rehire & Termination Dates



- ✓ Hire Dates, Rehire Dates, and Termination Dates may be verified under Employment Status History
- ✓ Terminated employees SHOULD NOT have an Employment Status of “Inactive”
- ✓ If an employee was hired April 10, 2014, terminated March 1<sup>st</sup> 2020, and then rehired August 2020. All dates should be reflected in the Employment Status history screen in order for the forms to accurately show the months the employee was employed.

**iSolved** | HCM Delivered by CTR HCM

**Bridget2 Escobar** | **Michael Able** | Pay Group: Bi-Weekly | Salary: 2712.27  
Employee#: 9897 Status: Active | Hire Date: 8/1/2020 | Work Location: FAIRVIEW PARK, OH

### Employment Status History

Employment Period: All

Effective Date	End Date	Change Reason
8/1/2020		
3/1/2020		COVID-19 LAYOFF
4/10/2014	2/29/2020	

**+ Add New** **Edit** **Refresh** **Save** **Cancel**

#### Employment Status

\* Employment Status: Active

\* Hire Date: 8/1/2020

NOTE: To terminate or activate an employee, use the Employee General Screen.

\* Employee Number: 9897

Timeclock ID:

#### Employee Notes

Notes:

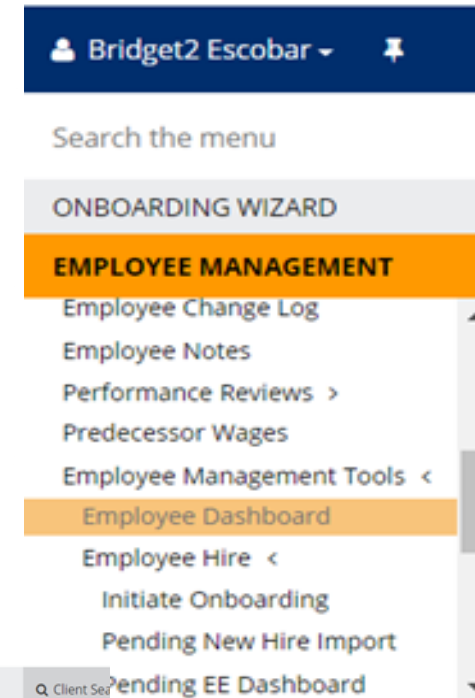
ZAYZOOM SSO



# Verify Hire, Rehire & Termination Dates



- ✓ You can verify Employee Hire Dates and Termination Dates on our New Employee Dashboard
- ✓ Navigate to Employee Management>Employee Management Tools> Employee Dashboard
- ✓ Use 1/1/2020 in the From Date and the current date for the To Date



Client: 1000 - Acme Corporation

Employee Dashboard

Hires Terminations

From Date: 1/1/2020 To Date: 11/16/2020 Filter

4 employees in

Expand All Groups Collapse All Groups Clear Grouping/Filters

Drag a column header here to group by that column

Legal Name	Employee Name	Employee ID	Timeclock ID	Work Location	Hire Date	Length of Service	Termination Date	Termination Reason	Termination Type
Acme Corporation	Keri Graves	9922		PITTSBURGH, PA	1/31/2017	3 years, 1 month, 11 days	3/10/2020	Resignation	
Acme Corporation	Zachary Avery	0020	7004	FAIRVIEW PARK, OH	4/1/2018	2 years, 30 days	4/30/2020	COVID-19 LAYOFF	workforce reduction
Acme Corporation	Christopher Bailey	0006	7005	FAIRVIEW PARK, OH	12/4/2019	4 months, 27 days	4/30/2020	COVID-19 LAYOFF	workforce reduction
Acme Corporation	Jacob Able	0001	7002	PITTSBURGH, PA	3/1/1999	21 years, 6 months, 22 ...	9/22/2020	Other	



# Verify Hire, Rehire & Termination Dates



## COVID Layoffs, Furloughs, or Terminations

Generally furloughed employees are not considered terminated during their furlough. See <https://www.lexology.com/library/detail.aspx?g=233d3781-97e6-488c-87bf-d6ecc39c9160>

- **Furloughed employees maintained on health insurance-**
  - If left active and EE is marked as FT, the employees will show they were offered coverage during furlough.
  - If marked as Inactive and the proper codes are not generating to show an offer of coverage, we can eligibility benefit plan eligibility rules to show an offer of coverage for these employees during furlough
- **Furloughed employees NOT maintained on health insurance-**
  - If the employee remained employed but was not offered health coverage, an employer can put 1H in line 14 and 2B in line 16 (employee was not FT) for each month of the furlough period.
  - If the employees were left active in the system during the furlough, you can simply change the employee's employment category to PT with the effective date of the furlough to generate the 1H and 2B codes for the furlough period.
  - If the employees were moved to Inactive Status, you can use the ACA override screens to populate the correct codes.
  - **Important Note:** If you used the look-back measurement period and a furloughed employee was in a stability period (i.e qualified as FT Benefit Eligible) prior to the furlough the employer must continue to offer benefits to that employee during the furlough. If the employee was in a "Layoff" status and the employee is no longer employed, then the employee can be offered COBRA.
- **Furloughed employees moved to a Permanent Layoff Status**
  - If a furlough is transferred to a permanent layoff, then you will need to mark the employee as **terminated** in the system with the appropriate Effective Date. This will generate the proper code 1H (no offer of coverage) and 2A (employee was not employed) for the months following the termination date.





If you have a self-funded health plan, verify that your plan is currently marked as Self-Funded in iSolved



- ✓ If your medical plan is self-insured or partially self-insured be sure that your plan is marked as Self-Funded in iSolved.
- ✓ Navigate to Benefits>Benefit Plans and then click on “Plans” and check “Self-Funded.” This box may already be checked if CTR assisted you with the setup of your plans and you indicated your plan was Self-Funded.
- ✓ It is crucial that you mark all self-funded plans appropriately in iSolved as employers with Self-Funded plans have additional reporting requirements.

**Benefit Plans**

Status:  Benefit Type:  As of Date:

Plan Name	Benefit	Provider
Medical Post	Medical	
Medical Pre	Medical	

**Plans** | Dates | Pay Items | Enrollment Options | Life Events | Dependents

+ Add New | Edit | Delete | Refresh | Save | Cancel | Copy

\* Plan Name:

Plan Description:

Provider:

\* Benefit Type:

Plan Id:

Group Id:

Integration Code:

☒ COBRA Eligible

☐ Creditable Coverage

☐ Includes Rx Coverage

☒ Self Funded Plan

☐ Conditional Offer of Coverage for Spouse

☒ ACA Minimum Essential Coverage

☒ ACA Minimum Value



## Verify Plan is Marked as Minimum Essential Coverage and Minimum Value



- ✓ If your Plan is an ACA Compliant Plan, it should be both Minimum Essential Coverage and ACA Minimum Value.
- ✓ Note about MEC Plans: There are some clients who only choose to offer MEC or Minimum Essential Coverage Plans. These Plans are often not fully compliant with ACA because they do not offer Minimum Value. If your plan DOES NOT offer Minimum Value you should uncheck the box for ACA Minimum Value. Your Insurance Broker will be able to tell you whether you have a Minimum Value Plan.

**Benefit Plans**

Status:  Benefit Type:  As of Date:

Plan Name	Benefit	Provider
Medical Post	Medical	
Medical Pre	Medical	

**Plans** | Dates | Pay Items | Enrollment Options | Life Events | Dependents

+ Add New | Edit | Delete | Refresh | Save | Cancel | Copy

\* Plan Name:

Plan Description:

Provider:

\* Benefit Type:

Plan Id:

Group Id:

Integration Code:

☒ COBRA Eligible

☐ Creditable Coverage

☐ Includes Rx Coverage

☒ Self Funded Plan

☐ Conditional Offer of Coverage for Spouse

☒ ACA Minimum Essential Coverage

☒ ACA Minimum Value



## If you have a self-insured health plan, verify that all dependent information is in isolved



- ✓ Add new dependents under Human Resources>Employee Contacts
- ✓ Make sure to add the Social Security Number and birth date as these are required fields on the ACA Forms
- ✓ You must check the box for “Dependent” under Contact Info. This will allow you to add the contact to the benefit plan on the employee’s benefit plan screen
- ✓ CTR does have dependent imports if you need to update a massive amount of information

**Bridget Escobar** | **Jacob Able** | Employee#: 0001 | Status: Active | Pay Group: Semi | Salary: 1040.04 | Department: 100 | Job: | Hire Date: 3/1/1999 | Work Location: BUFFAL... | Division: | Cost Center:

### Employee Contacts

Contact Person	Relationship Code	Call Order
Betty Able	Spouse	Primary

**+ Add New** | **Edit** | **Delete** | **Refresh** | **Save** | **Cancel**

#### Contact Name

\* First Name:

Middle Name:

\* Last Name:

Prefix:

Suffix:

#### Contact Info

\* Relationship:

Call Order:

☒ Emergency Contact

☒ **Dependent**

☒ Beneficiary

☐ Hide Contact in ESS

#### Phone Numbers & Email

Email Address:

#### Personal Information

SSN:

Update SSN:

Birth Date:

#### Benefit Data

☐ Full-time Student

☐ Disabled

#### Address

Address:

Zip:





## If you have a self-insured health plan, verify that all dependents are enrolled in benefits plans



Once you have added the dependents in the system under Employee Contacts, navigate to Employee Management>Employee Benefit Plans. Add the medical plan and then scroll to the bottom of the screen to check the box next to each dependent you are adding to the plan.

Start Date	Plan Name	Plan Type
5/5/2014	401(k)	401(k)
5/5/2014	Dental	Dental
1/1/2014	Medical PPO	Medical PPO

**Benefit Plan Details:**

- \* Start Date: 1/1/2014
- \* Coverage: EE+FAMILY - Family
- Per Pay Amount: 250.00
- Stop Date:
- Benefit End Reason:
- Enrollment Date: 1/1/2014
- Eligibility Date: 1/1/2011
- Participant ID:
- \* Primary Care Physician:

**Dependents**

Name	Include	Start Date	Stop Date	Benefit End Reason	Primary Care Physician
Betty Able	<input checked="" type="checkbox"/>	1/1/2014			

Benefit Start Dates must be accurate for dependents as well as employees



## Verify accurate probationary periods and terminations dates are set up on your medical plans



- ✓ The probationary period on the benefit plan drives the offer of coverage date on line 14 of the 1095-C ACA Form. Therefore, the probationary period MUST be accurate on the benefit plan.
- ✓ The termination rule determines what code will appear in Line 16 of the 1095-C form when an employee terminates employment in the middle of a month.
- ✓ **Note: These should have already been setup for you as part of your original benefit plan setup. However, these may need to be adjusted if you made a change to your probationary rules since you were first implemented.**

### Benefit Plans

Status:  Benefit Type:  As of Date:

Plan Name	Benefit
Medical Post	Medical
Medical Pre	Medical

Plans Dates Pay Items Enrollment Options Life Ev

Edit Refresh Save Cancel

#### Effective Dates

\* Start Date:

Stop Date:

\* Effective Dates Based On:

#### New Hire Probation Period

Start On:

Following:  days of service

Length of Service Date:

#### Termination Rule

Terminate On:

Following:  days after termination

## ✓ Verify accurate rates are set up for each medical plan



- ✓ Medical plans should have rates with start dates that are either 1/1/2020 or prior
- ✓ If you had mid-year rate changes, ensure that both the prior rates and new rates are reflected with accurate start and stop dates
- ✓ There should not be any gap between the start and stop dates of each plan year
- ✓ If your ACA Forms are showing blanks in Line 14 and 16 for certain months, it is mostly likely due to inaccurate Start and Stop Dates on the Rates for one of your plans

Plans	Dates	Pay Items	Enrollment Options	Life Events	Dependencies	Rates	Messages
Refresh Save Cancel							
Rate Year: All							
	Benefit Coverage	Start Date	Stop Date	Monthly Premium	Employee Allocation %	Employer Allocation %	Employee Monthly Value
	EE+Child	3/1/2019	2/29/2020	1414.6000	28.9481	71.0519	409.5000
	EE+Children	3/1/2019	2/29/2020	2014.9200	35.1627	64.8373	708.5000
	EE+Spouse	3/1/2019	2/29/2020	2018.5300	35.2073	64.7927	710.6700
	Family	3/1/2019	2/29/2020	2549.3400	38.3303	61.6697	977.1700
	Individual	3/1/2019	2/29/2020	902.7400	17.0403	82.9597	153.8300
	EE+Child	3/1/2018	2/28/2019	1373.3400	28.8712	71.1288	396.5000
	EE+Children	3/1/2018	2/28/2019	1956.1600	35.2221	64.7779	689.0000
	EE+Spouse	3/1/2018	2/28/2019	1959.6900	35.2694	64.7306	691.1700
	Family	3/1/2018	2/28/2019	2475.0000	38.3434	61.6566	949.0000



## ✓ Verify your ACA Reporting Group



- ✓ Navigate to ACA Setup Options>ACA Reporting Groups
- ✓ If you have more than one FEIN that is part of your Aggregate group for ACA Reporting, ensure that all FEINS are included in your ACA reporting Group
- ✓ These should have already been setup as part of your original implementation but if you have added additional FEINS since your first setup please verify that these FEINS are included if you will be an aggregate group for ACA Reporting purposes.

The screenshot shows the 'ACA Reporting Groups' setup interface. On the left is a navigation menu with 'CLIENT MANAGEMENT' expanded and 'ACA Reporting Groups' selected. The main content area has a table listing existing groups, a toolbar with actions like '+ Add New', and a detailed setup form. The form includes a 'Group Type' dropdown set to 'Aggregate ALE Group', a 'Group Name' field with 'Test ALE Group', and sections for 'ACA Report Groups' and 'Additional Group Members'. A 'Group Members' section shows a list of available legal companies and a selected list containing 'Acme Corporation' and 'Acme LTD'. An orange arrow points from the third bullet point in the list above to the 'Selected Legal Companies' list.

Group Type	Group Name
Aggregate ALE Group	Test ALE Group

**ACA Group Type**

\* Group Type: Aggregate ALE Group

**ACA Report Groups**

\* Group Name: Test ALE Group

**Additional Group Members**

Legal Name: FEIN:

**Group Members**

Select the members of this group. A legal company can only be a member of one ACA Reporting Group.

**Available Legal Companies:**

**Selected Legal Companies:**

- Acme Corporation
- Acme LTD



## Set up ACA Report Options for Reporting Year 2020



- ✓ Navigate to the ACA Report Options Screen under ACA Setup Options
- ✓ Click “Add New” and add the 2020 ACA Reporting Year
- ✓ Once you have created the 2020 ACA Reporting year, you will be able to begin previewing your 2020 ACA Forms
- ✓ If you have multiple FEINS you must setup a reporting year and reporting designations for each FEIN
- ✓ **Note: If CTR produced your ACA Forms in 2019, CTR has already created the 2020 year for you in iSolved and should have copied the previous selections from last year. You will need to determine if these designations will continue to be applicable for your company for 2020.**

Client: 1000 - Acme Corporation Company: 1000 - Acme Corporation Status: Active

### ACA Report Options

Year
2015
2016
2017
2018
2019
2020

**Report Options** Employer Overrides

+ Add New Edit Delete Refresh Save Cancel

**ACA Reporting Year**

\* ACA Reporting Year: 2020 Format: YYYY

**ACA Company Contact**

The name and phone number for the selected Contact will be used on reports for this Company. If no Contact is selected, the information for the W3 Contact will be used.

Contact: [Dropdown]

**ACA Reporting Form**

☐ 1094/1095-B Forms  
The 1094-B and 1095-B forms are filed by self-insured employers who are not considered "Applicable Large Employers."

☒ 1094/1095-C Forms  
The 1094-C and 1095-C forms are filed by "Applicable Large Employers" whether self-insured or fully-insured.

**ACA Certifications of Eligibility**

☒ Qualifying Offer Method  
Form 1094-C Line 22: Option 'A' will be selected.

☒ 98% Offer Method  
Form 1094-C Line 22: Option 'D' will be selected.

**ACA Reporting Group**

Form 1094-C Part III Lines 23-35, Column (d) will be populated based on the selections made below.

If a reporting group is listed below then either All Months or at least one individual month must be selected.

Reporting Group: Test ALE Group

☒ All Months

☐ JAN

☐ FEB

☐ MAR

☐ APR

☐ MAY

☐ JUN

☐ JUL

☐ AUG

☐ SEP

☐ OCT

☐ NOV

☐ DEC

**Employee Count Method**

Employee Count Based On: [Dropdown]



# Set up ACA Report Options for Reporting Year 2020



## ✓ Special Note on ACA Reporting Groups

Have you added a Company this year to your Aggregate Group? If so, you must correctly select the months that this new company is part of your ACA Aggregate Reporting Group below. If the company was first incorporated in August and employed employees in the month of August, then you would only select the months of August through the end of the year for that company.

The screenshot shows the 'ACA Report Options' web application. On the left is a sidebar with a 'Year' dropdown and a list of years from 2015 to 2020, with 2020 highlighted. The main content area has two tabs: 'Report Options' (active) and 'Employer Overrides'. Below the tabs is a toolbar with buttons for '+ Add New', 'Edit', 'Delete', 'Refresh', 'Save', and 'Cancel'. The 'Report Options' section is divided into several panels:

- ACA Reporting Year:** A text field for '\* ACA Reporting Year:' is set to '2020'. Below it, 'Format: YYYY' is displayed.
- ACA Company Contact:** A text area explains that the contact's name and phone number will be used on reports. Below is a 'Contact:' dropdown menu.
- ACA Reporting Form:** Two checkboxes are present: '1094/1095-B Forms' (unchecked) and '1094/1095-C Forms' (checked). Each has a corresponding text box explaining the filing requirements.
- ACA Certifications of Eligibility:** Two checkboxes are present: 'Qualifying Offer Method' (checked) and '98% Offer Method' (checked). Each has a corresponding text box explaining the selection.
- ACA Reporting Group:** A text box states: 'Form 1094-C Part III Lines 23-35, Column (d) will be populated based on the selections made below.' Below this, a red warning message says: 'If a reporting group is listed below then either All Months or at least one individual month must be selected.' Underneath, 'Reporting Group: Test ALE Group' is listed, followed by a list of months from JAN to DEC. 'All Months' is unchecked, while 'AUG', 'SEP', 'OCT', 'NOV', and 'DEC' are checked.
- Employee Count Method:** A dropdown menu labeled 'Employee Count Based On:' is at the bottom right.





## Begin Previewing your 2020 ACA Forms Now!



- ✓ The deadline to approve your ACA Forms is January 15, 2021 unless you have requested an extension
- ✓ You may begin previewing your 2020 ACA Forms by navigating to ACA Setup Options>ACA Forms Approval
- ✓ Select Year 2020 and click “Preview Forms”
- ✓ A Form Preview Guide and Checklist is Available under “Quick Links”

Client: 1000 - Acme Corporation    Company: 1000 - Acme Corporation    Status: Active

### ACA Forms Approval

**Approve**    History

**Year**

\* Year: 2020

**Report Type**

Report Type for Selected Year: **ACA 1094-C and 1095-C Employer**

**Preview Report**

Preview Report produces a condensed version of the form 1094 and 1095 data and highlights issues that should be addressed prior to approving forms.

[Preview Report](#)

**Preview Forms**

Preview Forms produces a full version of the form 1094 and 1095 data.

[Preview Forms](#)

**Approve Forms 1094/1095**

Once you select Approve Forms, the system will commit the forms to the Year End Batch Print for Service Bureau printing and filing.

[Approve Forms](#)

**Last Approved**

# Questions?

---



**December 10, 2020, 1-2pm: *Previewing Your ACA Forms***

***Summary:*** Is this your first year filing ACA forms? Have you filed before, but you forget what the codes mean and what you should be reviewing? Please join this webinar for tips on how to preview and approve your 2020 ACA Forms.

[Register Here!](#)

You can send your questions to:

[aca@ctrhcm.com](mailto:aca@ctrhcm.com)