ACA Technology User Guide

Table of Contents

TABLE OF CONTENTS ......................................................................................................................... 1
INTRODUCTION ........................................................................................................................................ 3

STANDARD ACA REPORTS ......................................................................................................................... 4
ACA LARGE EMPLOYER COMPLIANCE TEST ............................................................................................. 4
ACA FT LOOKBACK REPORT-ONGOING EMPLOYEES ........................................................................... 7
ACA FT LOOKBACK REPORT-NEW HIRES ............................................................................................ 12
ACA SAFE HARBOR AFFORDABILITY REPORTS ................................................................................... 17
ACA PLAN RENEWAL – AFFORDABILITY PROJECTION TOOL .................................................................. 27
ACA 1095-C FORM PREVIEW ............................................................................................................. 31

ACA SETUP OPTIONS ............................................................................................................................... 33
ACA REPORTING GROUPS ....................................................................................................................... 34
ACA REPORT OPTIONS ........................................................................................................................... 35
ACA EMPLOYER OVERRIDES ................................................................................................................... 38

ACA MEASUREMENT POLICIES ............................................................................................................. 38
POLICIES .................................................................................................................................................... 39
ELIGIBILITY ................................................................................................................................................ 40
ONGOING MEASUREMENT PERIODS ..................................................................................................... 41

ACA MEASUREMENT PERIODS-EMPLOYEE LEVEL ............................................................................... 42
ACA Measurement Period ...................................................................................................................... 43

PAYROLL PROCESS UTILITY .................................................................................................................. 44
NEW HIRES/INITIAL MEASUREMENT PERIODS ...................................................................................... 44
ONGOING EMPLOYEES/STANDARD MEASUREMENT PERIODS ............................................................. 45

REPORT OPTIONS ...................................................................................................................................... 45
ACA MONTHLY MEASUREMENT STATUS REPORT .............................................................................. 46
ACA LOOK-BACK CHANGE IN STATUS REPORT .................................................................................. 47

ACA WELLNESS PLAN CREDITS ........................................................................................................... 49
EMPLOYEE LEVEL WELLNESS PLAN CREDITS .................................................................................... 49
CLIENT LEVEL BENEFIT PLAN CREDIT FIELDS ..................................................................................... 50

ACA REPORT OVERRIDES -EMPLOYEE LEVEL .................................................................................. 53
NON-EMPLOYEE OVERRIDES ................................................................................................................ 54

1094 AND 1095 B FORMS ....................................................................................................................... 56
HOW iSOLVED POPULATES FORM 1094-B .......................................................................................... 56
HOW iSOLVED POPULATES FORM 1095-B ........................................................................................ 57

1094 AND 1095 C FORMS ....................................................................................................................... 58
HOW iSOLVED POPULATES FORM 1094-C ........................................................................................ 59

ACA DASHBOARDS .................................................................................................................................. 64
ACA ELIGIBILITY ......................................................................................................................................... 64
ACA ELIGIBILITY BREAKDOWN ............................................................................................................ 64
ACA MEASUREMENT PERIOD STATUS ............................................................................................... 65
Introduction

The Affordable Care Act (ACA) was signed into law in March of 2010, with the intent to expand coverage, control health care costs, and improve the healthcare delivery system. Two key components of the act include the individual mandate and the employer mandate.

U.S. citizens and legal residents are required by the ACA to have qualifying health coverage or pay a tax penalty. Exemptions are available under select circumstances.

Employers with 50 or more full-time employees are required by the ACA to offer qualifying health coverage or potentially face penalties based on whether any of their employees receive premium tax credits for their qualifying coverage.

Employers are not only responsible for offering coverage but also for reporting under Sections 6055 and 6056 on the offer of coverage to each individual as well as other plan details.

The iSolved system has the technology employers need to assist them in determining whether they are subject to the ACA’s employer requirements, who qualify for coverage, assessing affordability—another key component of the act, and generating the required forms necessary for filing with individuals and the IRS.

iSolved ACA Compliance Solutions

iSolved offers a customizable solution for ACA compliance. The following tools are part of the iSolved technology that supports employers in complying with the law.

- Standard ACA Reports
  - ACA Large Employer Compliance Test-determines whether the employer meets the criteria of an “applicable large employer”
  - ACA Full-time Lookback Report-measures employee hours to determine full-time status
  - ACA Affordable Coverage Determination Report-determines whether any of the safe harbor options apply to the plan
  - ACA Affordability Projection Tool-projects affordability under Rate of Pay and W-2 wages safe harbor compared to a defined benefit rate which can be adjusted for renewal
- Measurement period policy-permits set up of measurement periods to track measurement periods, administrative periods and stability periods for both initial and ongoing employees.
- Measurement period functionality to adjust ACA status when validated by the data.
- Automated offers of coverage in conjunction with the life events wizard.
- Measurement period results reports
  - ACA Look-back Change in Status Report
  - ACA Monthly Measurement Status Report
- Generation of applicable “B” and “C” forms for employees, non-employees and COBRA participants.
- Print and file capabilities of applicable “B” and “C” forms for employees, non-employees and COBRA participants.
Standard ACA Reports

ACA Large Employer Compliance Test

The first step in determining what, if any, requirements an employer is responsible for under the ACA is whether the employer is considered to employ 50 or more full-time employees and is therefore an Applicable Large Employer (ALE.)

iSolved provides a standard report to count the number of full time employees per month, in a given date range to assist the employer in determining their status as an ALE.

In order to properly populate the report, the system requires tracking of employees based on ACA Status using the Employment Category field.

Clients can assign their own unique categories of employees to the applicable ACA status utilizing the following setup:

Client Management>Tables>Employment Categories

In addition to assigning ACA Employment Status, employers will also need to determine what hours to use for the calculation to determine large employer status based on the IRS definition of “hours of service.”

The following guidelines are used by the iSolved system to determine the Total Hours included in the ACA evaluation.

- Total hours
  - Total hours includes all paid hours. This is all paid earnings that are not 1099.
  - If the client has an accumulator setup with Accumulator Code = ACAHRS, that will be used, otherwise, it will use all paid earnings that are not 1099.

The accumulator is a means to capture all hours the employer wants to record including unpaid hours.
ACA Large Employer Compliance Report Options

**Filtering**
- From Date
  - Begin Date for the evaluation period
- To Date
  - End Date for the evaluation period
  - A report warning will generate if an invalid evaluation period is selected.

**Warning:** The date range specified is not a 12 month period and should not be used for Applicable Large Employer determination of Full Time Employees

- Pay Groups
  - Defaults to include all legal companies. Can deselect any to exclude them.

**Grouping**
- Grouping Option
  - Option to group and subtotal the report by organizational levels.
  - A company total of FTEs will generate at the end of the organization totals.
- Include Hours Detail Page
  - Provides hour totals by month for each employee.
• Exclude ACA Full Time
  o Excludes any employee with an ACA status of ACA Full Time from the hours detail.

• Format
  o PDF

ACA Large Employer Compliance Results

The following data is included in this report:

• Full Time Employee Count
  o Monthly count of all active employees with ACA Employment Status = ACA Full Time

• Total Hours for FTE Calculation (all NON ACA Full Time employees)
  o All Employees with ACA Employment Status not equal to ACA Full Time or ACA Exempt
  o Total Hours Paid per employee up to 120.00 hours.
  o If the client has an accumulator setup with Accumulator Code = ACAHRS, it is used, otherwise, it will use all paid earnings that are not 1099.

• FTE Count
  o The total hours for all NON Full Time employees is divided by 120 to arrive at the number FTE’s for each month.
  o Total Hours FTE Calculation/120.00 hours (30 hours * 4 weeks a month)

• Total FTE Count
  o The count of Full Time employees is added to the count of FTE employees for the Total FTE Count per month.

• Applicable Large Employer Determination
The total FTEs for twelve months is divided by twelve to get the average number of FTE’s which is used to determine whether they are a Large Employer.

- Rounding is not used in the final calculation per the IRS.
- If the count for a given month is 12.89 it is counted as 12.89. However, for the final calculation of average FTEs used to determine if an employer has 50 employees, 49.9 would be considered 49.

- **Employee Hours by Month**
  - When the **Include Hours Detail** option is selected report displays employee name and hours worked for each month for the date range selected.
  - Will display actual hours worked; however, for FTE calculation purposes the hours are capped at 120/month per employee.

**ACA FT Lookback Report-Ongoing Employees**

Once qualified as an Applicable Large Employer, the next step is to determine which employees must be offered coverage. iSolved offers the ACA Full-time Lookback Report to assist an employer in determining who should be offered coverage based on the hours worked.

The purpose of the report is to identify employees, in a given look back period, that worked average hours greater than the ACA 30 hour threshold and therefore should be classified as ACA Full Time.

This report calculates the average hours worked for an employee in a given time frame and evaluates the average hours against the employee’s current ACA status. Employees that may require an ACA status update, based on their average hours, are flagged on the report.

**ACA FT LookBack Report Options**

The following options are available to control the filtering and display of employees on the ACA Full Time Look Back Report.
Filtering

- **On Going Employee From Date**:
  - Begin Date for the Look Back Period

- **On Going Employee To Date**:
  - End Date for the Look Back Period
  - A report warning will generate and no data will return if an invalid look back period is selected.

  *Warning: Date Range selected is not a valid look back period. Must be at least 3 months and no more than 12 months.*

- **Pay Groups**:
  - Defaults to include all legal companies. Can deselect any to exclude them.
• **Report Option**
  - ACA Look Back Summary Report
  - ACA Pay Period Detail Report—shows pay period details for each employee including period start/end dates and total hours worked that period.

• **Union Employee Option**
  - Based on employees with job records that have been identified as a union job.
  - Employee jobs must be maintained to return valid data using this option.
  - Defaults to include all employees.

• **Employee Type Option**
  - Displays only hourly or salary employees based on the employee pay type.
  - Defaults to include all employee pay types.

• **Include Inactive & Termed**
  - Allows the user to include or exclude inactive and terminated employees.
  - Tip: include this option if employees work for multiple companies and ‘Aggregate EE Data’ option is selected in order to capture employees who move from one company to another and should be treated as a continuous employee.
  - Defaults to include Active Employees only.

• **Include Only Status Changes**
  - Suppresses all employees whose look back period status matches their current employment category ACA status.

• **Exclude ACA Full Time**
  - Suppresses employees currently identified with an ACA Status of ACA Full Time.
  - Enables companies to exclude employees who do not need an hours evaluation from the report.
  - Tip: beneficial for companies that do not track hours for salaried employees.

• **Aggregate EE data**
  - Aggregates employee hours data for employees who have hours worked in multiple pay groups/companies.
  - Tip: beneficial for companies considered control groups and must aggregate the data for employees who work in multiple companies or transfer locations.

• **Sort Option**
  - Sorts the report by employee name, ID or status, organizational titles or codes, employment status or legal company.
  - Defaults the sort based on average hours (highest to lowest.)
  - Pay period detail option only sorts on organizational levels.
• Organizational Level
  o Includes only employees from selected organization groups.
  o Defaults to include all.

• Work Location
  o Includes only employees from selected work locations.
  o Defaults to include all.

• Date Type
  o Period Ending Date is the only option available.
  o Pay periods included in the Average hours calculation for the look back period will be based on the pay period end date.

Grouping
• Group by Legal Company
  o Groups the data together by legal company with a page breaks in between legals.
  o Defaults to grouping by legal.

Options
• Format
  o PDF
  o Excel

ACA FT Lookback Report-Ongoing Employees Results

Ongoing Employees

Employees included in this section have been employed for at least one complete standard measurement period, in other words, hired prior to the beginning of the look back period.

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Empl ID</th>
<th>Legal Company</th>
<th>Work Stat</th>
<th>Pay Type</th>
<th>Hire Date</th>
<th>Current ACA Status</th>
<th>Current Hrs Net</th>
<th>Lookback Hrs</th>
<th>Average Hrs</th>
<th>Lookback Tot Hrs</th>
<th>ACA Status</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yolanda Gates</td>
<td>24</td>
<td>Measurements, INC</td>
<td>NC</td>
<td>Salary</td>
<td>12/31/2012</td>
<td>Full Time</td>
<td>No</td>
<td>45.94</td>
<td></td>
<td>2,240.00</td>
<td>Full time</td>
<td>No action required.</td>
</tr>
<tr>
<td>Natalie Gamble</td>
<td>38</td>
<td>Measurements, INC</td>
<td>SC</td>
<td>Salary</td>
<td>3/1/2014</td>
<td>Variable</td>
<td>Yes</td>
<td>42.77</td>
<td></td>
<td>2,230.00</td>
<td>Full time</td>
<td>No action required.</td>
</tr>
<tr>
<td>Monica Carlson</td>
<td>13</td>
<td>Measurements, INC</td>
<td>NC</td>
<td>Auto Hourly</td>
<td>1/1/2014</td>
<td>Variable</td>
<td>No</td>
<td>30.75</td>
<td></td>
<td>1,760.00</td>
<td>Full time</td>
<td>Offer Coverage, hours met.</td>
</tr>
<tr>
<td>Tony Grier</td>
<td>45</td>
<td>Measurements, INC</td>
<td>SG</td>
<td>Salary</td>
<td>7/1/2014</td>
<td>Variable</td>
<td>Yes</td>
<td>30.30</td>
<td></td>
<td>1,960.00</td>
<td>Full time</td>
<td>No action required.</td>
</tr>
<tr>
<td>Ron Turner</td>
<td>50</td>
<td>Measurements, INC</td>
<td>SC</td>
<td>Salary</td>
<td>12/10/2012</td>
<td>Full Time</td>
<td>No</td>
<td>15.00</td>
<td></td>
<td>903.27</td>
<td>Part Time</td>
<td>Based on hours, verify ACA status.</td>
</tr>
</tbody>
</table>

Measurements, INC

Ongoing Employees

Employees included in this section have been employed for at least one complete standard measurement period.
The following columns are included in both sections:

- **Employee Name**
- **Employee ID**
- **Legal Company**
- **Work State**
- **Pay Type**
- **Hire Date**

**Current ACA Status**
- Based on the employee’s current employment category.
- "UNKNOWN": Indicates that the employee has not been assigned an employment category in the system

**Current Hrs Met**
- Displays ‘Yes’ if the ‘Hrs (e.g. Variable) met for ACA FT Status’ checkbox is checked. Displays ‘No’ if the ‘Hrs (e.g. Variable) met for ACA FT Status’ checkbox is not checked.

**Lookback Average Hours**
- Total hours worked in the look back period divided by the number of weeks in the look back period.
- When **Aggregate EE Data** is selected the average hours will display the same average for both employment records.

**Lookback Total hours**
- Total hours worked in the look back period. Includes all paid hours.
- If the client has an accumulator setup with Accumulator Code = ACAHRS, that will be used, otherwise, it will use all paid earnings that are not 1099.
- When **Aggregate EE Data** is selected the average hours will display the same totals for both employment records.

**Look Back Period Status**
- ACA Full Time status based on the average hours worked in the look back period.
- Employees with average hours ≥ 30 will display an status of Full Time.
- Employees with average hours <30 hours will display a status of Part Time.

**Results**
- Yes, Offer Health Benefits: Employee achieved a Full Time Look-Back Period Status and as such qualifies for benefits under the ACA.
- COBRA Event/Reduction of Hours: Employee went from Full Time Status to Part Time status so employee will lose benefit coverage at the start of the next stability period due to a reduction of hours, you must change the ACA status in iSolved and offer COBRA.
EE Aggregate Data: Employee has hours in more than one legal company, data for both companies was aggregated; therefore, status should be verified and adjusted accordingly.

Based on hours, verify ACA status: Employee’s system status is equal to ACA Full-time status; however, based on the hours reported in the measurement period the status should be verified and action taken only if necessary.

  - Tip: A full-time employee who does not have his hours tracked and recorded; would show display this result.

No action required: Employee did not experience a change in status based on hours; therefore, current status should continue.

**Report Option: ACA Pay Period Detail Report**

- Provides supporting details for total hours and average hours worked.
- Includes hours worked for the individual pay periods within the look back period.
- Identifies the number of weeks within the look back period.

**Ongoing Employees**

Employees included in this section have been employed for at least one complete standard measurement period.

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Employment Category</th>
<th>Hire Date</th>
<th>Period Begin</th>
<th>Period End</th>
<th>Hours</th>
<th>Look-Back Period</th>
<th>Status Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yadziri Giles</td>
<td>Full Time</td>
<td>12/31/2012</td>
<td>6/26/2015</td>
<td>7/5/2015</td>
<td>720</td>
<td>8.00 Weeks</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7/6/2015</td>
<td>7/6/2015</td>
<td>720</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>8/17/2015</td>
<td>8/23/2015</td>
<td>90</td>
<td>Gap in Worked Pay Periods</td>
<td></td>
</tr>
<tr>
<td>Look-Back Period ACA Status: Full Time</td>
<td>Average hours: 191.25</td>
<td>1,530.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sandy Beach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment Category: Part Time</td>
</tr>
<tr>
<td>Hire Date: 1/1/2014</td>
</tr>
<tr>
<td>Period Begin</td>
</tr>
<tr>
<td>7/6/2015</td>
</tr>
<tr>
<td>Look-Back Period ACA Status: Full Time</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sandy Beach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment Category: Part Time</td>
</tr>
<tr>
<td>Hire Date: 9/12/2009</td>
</tr>
<tr>
<td>Period Begin</td>
</tr>
<tr>
<td>7/27/2015</td>
</tr>
<tr>
<td>Look-Back Period ACA Status: Full Time</td>
</tr>
</tbody>
</table>

**ACA FT Lookback Report-New Hires**

This report calculates the average hours worked for a newly hired employee in a given time frame and evaluates the average hours against the employee’s current ACA status. Employees that may require an ACA status update, based on their average hours, are flagged on the report.
ACA FT Lookback Report - New Hires

Filtering

- As Of Date:
  - End Date for a the Lookback Period
- New Hire Measurement Period:
  - Selected in increments of months with 3-12 months available

Grouping

Group by Legal Company: 

Options

Format: PDF

ACA FT Lookback Report-New Hires Options

The following options are available to control the filtering and display of employees on the ACA Full Time Look Back Report.

Filtering

- As of Date:
  - End Date for the Lookback Period
- New Hire Measurement Period:
  - Selected in increments of months with 3-12 months available
o Determines the Start Date for the Look Back Period by going back the selected period in months plus one from the ‘As of’ date.

- **Pay Groups**
  o Defaults to include all legal companies. Can deselect any to exclude them.

- **Report Option**
  o ACA Look Back Summary Report
  o ACA Pay Period Detail Report—shows pay period details for each employee including period start/end dates and total hours worked that period.

- **Union Employee Option**
  o Based on employees with job records that have been identified as a union job.
  o Employee jobs must be maintained to return valid data using this option.
  o Defaults to include all employees.

- **Employee Type Option**
  o Displays only hourly or salary employees based on the employee pay type.
  o Defaults to include all employee pay types.

- **Include Inactive & Termed**
  o Allows the user to include or exclude inactive and terminated employees.
  o Tip: include this option if employees work for multiple companies and ‘Aggregate EE Data’ option is selected in order to capture employees who move from one company to another and should be treated as a continuous employee.
  o Defaults to include Active Employees only.

- **Include Only Status Changes**
  o Suppresses all employees whose look back period status matches their current employment category ACA status.

- **Exclude ACA Full Time**
  o Suppresses employees currently identified with an ACA Status of ACA Full Time.
  o Enables companies to exclude employees who do not need an hours evaluation from the report.
  o Tip: beneficial for companies that do not track hours for salaried employees.

- **Aggregate EE data**
  o Aggregates employee hours data for employees who have hours worked in multiple pay groups/companies.
  o Tip: beneficial for companies considered control groups and must aggregate the data for employees who work in multiple companies or transfer locations.

- **Sort Option**
ACA Technology User Guide

- Sorts the report by employee name, ID or status, organizational titles or codes, employment status or legal company.
- Defaults the sort based on average hours (highest to lowest.)
- Pay period detail option only sorts on organizational levels.

- Organizational Level
  - Includes only employees from selected organization groups.
  - Defaults to include all.

- Work Location
  - Includes only employees from selected work locations.
  - Defaults to include all.

- Date Type
  - Period Ending Date is the only option available.
  - Pay periods included in the Average hours calculation for the look back period will be based on the pay period end date.

Grouping

- Group by Legal Company
  - Groups the data together by legal company with a page breaks in between legals.
  - Defaults to grouping by legal.

Options

- Format
  - PDF
  - Excel

ACA FT Lookback Report-New Hires Results

Compass

New Employees

Employees included in this section have been employed for less than one complete standard measurement period. New employees that are hired for full-time work must be offered health coverage.

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Emp ID</th>
<th>Legal Company</th>
<th>Work State</th>
<th>Pay Type</th>
<th>Hire Date</th>
<th>Current ACA Status</th>
<th>Current Hrs Mkt</th>
<th>Lookback Average Hrs</th>
<th>Lookback Total Hrs</th>
<th>ACA Status</th>
<th>Lookback Period Status</th>
<th>Results</th>
<th>Remaining Mand Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chandler Brown</td>
<td>1</td>
<td>Compass</td>
<td>NC</td>
<td>Hourly</td>
<td>01/01/2015</td>
<td>Full Time</td>
<td>No</td>
<td>202.00</td>
<td></td>
<td>Part time</td>
<td>Incomplete</td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>Carly Smith</td>
<td>5</td>
<td>Compass</td>
<td>NC</td>
<td>Salary</td>
<td>12/31/2015</td>
<td>Full Time</td>
<td>No</td>
<td>80.00</td>
<td></td>
<td>Part time</td>
<td>Based on hours, verify ACA status</td>
<td></td>
<td>8</td>
</tr>
<tr>
<td>Merrisa Bradley</td>
<td>6</td>
<td>Compass</td>
<td>NC</td>
<td>Auto Hourly</td>
<td>10/15/2016</td>
<td>Full Time</td>
<td>No</td>
<td>3.00</td>
<td></td>
<td>Part time</td>
<td>Incomplete</td>
<td></td>
<td>16</td>
</tr>
</tbody>
</table>
The following columns are included in both sections:

- **Employee Name**
- **Employee ID**
- **Legal Company**
- **Work State**
- **Pay Type**
- **Hire Date**
- **Current ACA Status**
  - Based on the employee’s current employment category.
  - "UNKNOWN": Indicates that the employee has not been assigned an employment category in the system.
- **Current Hrs Met**
  - Displays ‘Yes’ if the ‘Hrs (e.g. Variable) met for ACA FT Status’ checkbox is checked.
  - Displays ‘No’ if the ‘Hrs (e.g. Variable) met for ACA FT Status’ checkbox is not checked.
- **Lookback Average Hours**
  - Total hours worked in the look back period divided by the number of weeks in the look back period.
  - When **Aggregate EE Data** is selected the average hours will display the same average for both employment records.
- **Lookback Total hours**
  - Total hours worked in the look back period. Includes all paid hours.
  - If the client has an accumulator setup with Accumulator Code = ACAHRS, that will be used, otherwise, it will use all paid earnings that are not 1099.
  - When **Aggregate EE Data** is selected the average hours will display the same totals for both employment records.
- **Look Back Period Status**
  - ACA Full Time status based on the average hours worked in the look back period.
  - Employees with average hours >= 30 will display an status of Full Time.
  - Employees with average hours <30 hours will display a status of Part Time.
- **Results**
  - Yes, Offer Health Benefits: Employee achieved a Full Time Look-Back Period Status and as such qualifies for benefits under the ACA.
  - COBRA Event/Reduction of Hours: Employee went from Full Time Status to Part Time status so employee will lose benefit coverage at the start of the next stability period due to a reduction of hours, you must change the ACA status in iSolved and offer COBRA.
EE Aggregate Data: Employee has hours in more than one legal company, data for both companies was aggregated; therefore, status should be verified and adjusted accordingly.

Based on hours, verify ACA status: Employee’s system status is equal to ACA Full-time status; however, based on the hours reported in the measurement period the status should be verified and action taken only if necessary.

- Tip: A full-time employee who does not have his hours tracked and recorded; would show display this result.

No action required: Employee did not experience a change in status based on hours; therefore, current status should continue.

- Remaining Meas Period
  - Displays the number of months remaining in the new hires measurement period.

Report Option: ACA Pay Period Detail Report

- Provides supporting details for total hours and average hours worked.
- Includes hours worked for the individual pay periods within the look back period.
- Identifies the number of weeks within the look back period.

ACA Safe Harbor Affordability Reports

Another component of the Employer Shared Responsibility provisions mandates that coverage offered to employees must be “affordable.” In order to be considered “affordable” the employee’s required contribution to the plan cannot exceed a safe harbor percentage (9.56% -2015 number- indexed for future years) of the employee’s household income for the year. There is no practical way to know what an employee’s “household income” may be so the Act allows an employer to use one of three safe harbor methods to determine affordability.

The purpose of the report is to enable employers to determine whether minimum essential coverage is affordable for each full-time employee, based on the selected safe harbor method.

ACA Safe Harbor Affordability-FPL

This report includes all employees with an ACA status of ACA Full Time and those who have “Hours (eg Variable) Met for ACA Full Time Status” at any time during the year for which the report is run.
Filtering

- From Date:
  - Reports data from this date.

- To Date:
  - Reports data through this date.

- Pay Groups
  - Defaults to include all legal companies. Can deselect any to exclude them.

- Include Exceptions Only
  - Allows the user to exclude employees who meet the safe harbor criteria.
  - Defaults to include all employees.

- Union Employee Option
  - Based on employees with job records that have been identified as a union job.
  - Employee jobs must be maintained to return valid data using this option.
  - Defaults to include all employees.
- **Employee Type Option**
  - Displays only hourly or salary employees based on the employee pay type.
  - Defaults to include all employee pay types.

- **Organizational Level**
  - Includes only employees from selected organization groups.
  - Defaults to include all.

- **Work Location**
  - Includes only employees from selected work locations.
  - Defaults to include all.

**Options**
- **Format**
  - PDF
  - Excel

**Safe Harbor Affordability-FPL Results**

The report is calculated for each month of coverage.

The following columns are included:
- **Employee Name**
- **Employee Number**
- **Benefit Plan Lowest Cost Option**
  - System determines the lowest cost plan of all ACA plans the Employee is eligible for and returns the plan name that has the lowest cost of EE only coverage.
- **Monthly EE Cost of Benefit**
- System uses the lowest cost of EE only coverage to return the monthly cost of that benefit.

- **Federal Poverty Line Monthly Rate**
  - Returns the monthly rate necessary in order to qualify for the Federal Poverty Level safe harbor affordability.
  - Takes into account the FPL level as determined by the Department of Health and Human Services as well as the safe harbor percentage determined by the IRS (9.56% for 2015, 9.66% for 2016.)

- **Benefit %**
  - Calculated using the monthly cost of benefit/Applicable FPL on a monthly basis
    - (i.e. $500 (monthly cost of plan)/ ($11,770/12)

- **Compliance Exception**
  - Identifies exceptions where the annual cost of the lowest cost benefit plan exceeds the Federal Poverty Level for the applicable year.

- **Monthly Reduction in Cost to Comply**
  - Represents the amount of monthly decrease in employee benefit cost to bring the full-time employee under the Safe Harbor % for the applicable year affordability threshold.

**ACA Safe Harbor Affordability-Rate of Pay**

This report includes all employees with an ACA status of ACA Full Time and those who have “Hours (eg Variable) Met for ACA Full Time Status” at any time during the year for which the report is run.
Filtering

- From Date:
  - Reports data from this date.
- To Date:
  - Reports data through this date.
- Pay Groups
  - Defaults to include all legal companies. Can deselect any to exclude them.
- Include Exceptions Only
  - Allows the user to exclude employees who meet the safe harbor criteria.
  - Defaults to include all employees.
- Union Employee Option
  - Based on employees with job records that have been identified as a union job.
  - Employee jobs must be maintained to return valid data using this option.
  - Defaults to include all employees.
- Employee Type Option
  - Displays only hourly or salary employees based on the employee pay type.
Defaults to include all employee pay types.

- **Organizational Level**
  - Includes only employees from selected organization groups.
  - Defaults to include all.

- **Work Location**
  - Includes only employees from selected work locations.
  - Defaults to include all.

### Options

- **Format**
  - PDF
  - Excel

### Safe Harbor Affordability-Rate of Pay Results

The report is calculated for each month of coverage.

The following columns are included:

- **Employee Name**
- **Employee Number**
- **Benefit Plan Lowest Cost Option**
  - System determines the lowest cost plan of all ACA plans the Employee is eligible for and returns the plan name that has the lowest cost of EE only coverage.
- **Pay Type**
  - Returns the type of pay associated with the Employee.
- **Monthly EE Cost of Benefit**
  - System uses the lowest cost of EE only coverage to return the monthly cost of that benefit.

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Employee Number</th>
<th>Benefit Plan Lowest Cost Option</th>
<th>Pay Type</th>
<th>Monthly EE Cost of Benefit</th>
<th>Rate of Pay</th>
<th>Benefit %</th>
<th>Compliance Exception</th>
<th>Monthly Increase in Wage To Comply</th>
<th>Monthly Increase in Wage To Comply</th>
<th>Monthly Reduction in Cost To Comply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teresa Sargent</td>
<td>20</td>
<td>Medical M</td>
<td>Auto Hourly</td>
<td>500.00</td>
<td>575.55</td>
<td>11.73%</td>
<td></td>
<td>$25.10</td>
<td>$134.14</td>
<td>$0.00</td>
</tr>
<tr>
<td>George Berry</td>
<td>32</td>
<td>Medical M</td>
<td>Auto Hourly</td>
<td>500.00</td>
<td>575.55</td>
<td>0.33%</td>
<td></td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Marsha Bradley</td>
<td>8</td>
<td>Medical C</td>
<td>Auto Hourly</td>
<td>0.00</td>
<td>225.70</td>
<td>0.00%</td>
<td></td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Charlie Chocolate</td>
<td>4</td>
<td>Medical C</td>
<td>Salary</td>
<td>300.00</td>
<td>300.00</td>
<td>0.00%</td>
<td></td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>
• Rate of Pay
  o If the amount returned is equal to the highest cost the monthly plan rate can be for that Employee based on their Rate of Pay
  o Calculation:
    – If Pay Type is flagged as ‘Is hours based’:
      · Hourly rate x 130 x Safe Harbor % for the applicable year (i.e.9.56% for 2015)
    – If Pay Type is not flagged as ‘Is hours based’:
      · Monthly rate x Safe Harbor % for the applicable year.

• Benefit %
  o Calculated using the monthly cost of benefit/Rate of Pay
  – Rate of pay for pay types marked as ‘Is hours based’ = Hourly rate x 130
  – Rate of pay for pay types not marked as ‘Is hours based’ = Annual Pay/12

• Compliance Exception
  o Identifies exceptions where the annual cost of the lowest cost benefit plan exceeds the safe harbor % for the applicable year of the employee projected annual income.

• Hourly Increase in Wage to Comply
  o Indicates the hourly increase necessary to meet the Safe Harbor % for the applicable year.
  o Only populates for pay types marked as ‘Is hours based’.

• Monthly Increase in Wage to Comply
  o Indicates the monthly increase necessary to meet the Safe Harbor % for the applicable year.
  o Only populates for pay types not marked as ‘Is hours based’.

• Monthly Reduction in Cost to Comply
  o Represents the amount of monthly decrease in employee benefit cost to bring the full-time employee under the 9.5 percent affordability threshold if the rate of pay remained the same.

ACA Safe Harbor Affordability-W-2 Wages
This report includes all employees with an ACA status of ACA Full Time and those who have “Hours (eg Variable) Met for ACA Full Time Status” at any time during the year for which the report is run.
**Filtering**

- **As Of Date:**
  - Reports data include all payrolls within the year up to and including this date.

- **Pay Groups**
  - Defaults to include all legal companies. Can deselect any to exclude them.

- **Include Exceptions Only**
  - Allows the user to exclude employees who meet the safe harbor criteria.
  - Defaults to include all employees.

- **Union Employee Option**
  - Based on employees with job records that have been identified as a union job.
  - Employee jobs must be maintained to return valid data using this option.
  - Defaults to include all employees.

- **Employee Type Option**
  - Displays only hourly or salary employees based on the employee pay type.
  - Defaults to include all employee pay types.
### Safe Harbor Affordability-W-2 Wages Results

The report is divided into 3 sections: New Hires, Ongoing Employees and Terminations.

The following columns are included:

- **Employee Name**
- **Employee Number**
- **Benefit Plan Lowest Cost Option**
  - System determines the lowest cost plan of all ACA plans the Employee is eligible for and returns the plan name that has the lowest cost of EE only coverage.
- **Pay Type**
  - Returns the type of pay associated with the Employee.
- **Annual EE Cost of Benefit**
  - System uses the lowest cost of EE only coverage for each month of the year to return the annual cost of the benefit.
- **Current Year W-2 Wage**

### Table: Affordable Safe Harbor Determination Method: Current Year W-2 Wage

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Employee Number</th>
<th>Benefit Plan Lowest Cost Option</th>
<th>Pay Type</th>
<th>Annual EE Cost Of Benefit</th>
<th>Current Year W-2 Wage</th>
<th>Benefit %</th>
<th>Compliance Exception</th>
<th>Approximate Annual Increase in Wage To Comply</th>
<th>Approximate Annual Reduction In Cost To Comply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ross Allen</td>
<td>47</td>
<td>Medical M EE ONLY</td>
<td>Hourly</td>
<td>$25.96</td>
<td>$17,137.50</td>
<td>1.51%</td>
<td></td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Jerry Kustin</td>
<td>47</td>
<td>Medical M EE ONLY</td>
<td>Hourly</td>
<td>$25.96</td>
<td>$17,137.50</td>
<td>1.51%</td>
<td></td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Gaby Casion</td>
<td>1</td>
<td>Medical R EE ONLY</td>
<td>Hourly</td>
<td>$2,735.00</td>
<td>$4,950.60</td>
<td>27.19%</td>
<td>Exceeds 8.5%</td>
<td>6,640.82</td>
<td>626.64</td>
</tr>
<tr>
<td>Drake Kenzo</td>
<td>25</td>
<td>Medical M EE ONLY</td>
<td>Salary</td>
<td>$25.96</td>
<td>$32,518.12</td>
<td>1.61%</td>
<td></td>
<td>0.00</td>
<td></td>
</tr>
</tbody>
</table>
Current Year Projected W2 Wage = YTD Federal Taxable Wages + Projected Pay for remainder of year.

Projected Pay for remainder of year = Average Calculated Pay per pay period * Number of remaining pays per year.

Number of remaining pays per year = Based on the ‘as of date’ of the report, determine how many pay periods are left in the year (regular scheduled payroll runs)

Average Calculated Pay per pay period = YTD federal taxable wages/number of pay periods YTD.

- Coverage is considered affordable if the premium paid by the employee does not exceed 9.5% of his W-2 Box 1 wages.
- Report is an estimate until final payroll of the year has completed.
- Report takes into account new hires and terminations when calculating the Annual EE cost of Benefit.
- The system estimates Box 1 W-2 wages by calculating the number as follows:

\[
\text{Projected} = \text{YTD Federal WH taxable wages} + \left( \frac{\text{YTD Federal WH taxable wages}}{\text{#of regular pay periods paid to EE YTD}} \right) \times \text{remaining regular pay periods}
\]

**Example:**

<table>
<thead>
<tr>
<th>Employee Job</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paid biweekly salary of $1000</td>
</tr>
<tr>
<td>Paid monthly commissions</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>As of 06/30/2015</th>
<th>Per Pay</th>
<th>YTD $Federal WH Taxable Wages</th>
<th>YTD $Federal WH Taxable Wages</th>
<th># Pay Periods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Pay</td>
<td>13</td>
<td>100</td>
<td>1300</td>
<td>13</td>
</tr>
<tr>
<td>Commission checks</td>
<td>6</td>
<td>3000</td>
<td>18000</td>
<td>6</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>13</strong></td>
<td><strong>100</strong></td>
<td><strong>1300</strong></td>
<td><strong>13</strong></td>
</tr>
</tbody>
</table>

(only count regular)

Projected = 13000 + \left( \frac{13000}{13} \right) \times 13 = 38600

- **Benefit %**
  - Annual EE Cost of Benefit/Current Year Projected W2 Wage

- **Compliance Exception**
  - Identifies exceptions where the annual cost of the lowest cost benefit plan exceeds the Safe Harbor % for the applicable year of the employee’s projected annual income.

- **Approximate Annual Increase in Wage to Comply**
ACA Plan Renewal – Affordability Projection Tool

In order to assist the employer with rate determinations for future plan years, the iSolved system offers the ACA Plan Renewal-Affordability Projection Tool. The purpose of the report is to enable employers to determine whether plan rates are affordable to their population prior to implementation.

ACA Plan Renewal Affordability Projection Tool Report Options

**Filtering**
- **As of Date**
  - Reports data from beginning of current calendar year through this date.

### ACA Plan Renewal - Affordability Projection Tool

<table>
<thead>
<tr>
<th>Filtering</th>
</tr>
</thead>
<tbody>
<tr>
<td>As Of Date:</td>
</tr>
<tr>
<td>PayGroups:</td>
</tr>
<tr>
<td>□ ACA Mfg, LLC</td>
</tr>
<tr>
<td>□ Widget Makers, LLC</td>
</tr>
<tr>
<td>Affordable Safe Harbor Method:</td>
</tr>
<tr>
<td>□ Current Year Projected W-2 Wage</td>
</tr>
<tr>
<td>Projected Annual Cost/EE:</td>
</tr>
<tr>
<td>Include Exceptions Only:</td>
</tr>
<tr>
<td>□ Union Employee Option:</td>
</tr>
<tr>
<td>□ ALL Employees</td>
</tr>
<tr>
<td>Employee Type Option:</td>
</tr>
<tr>
<td>□ ALL Employees</td>
</tr>
<tr>
<td>Organization Level:</td>
</tr>
<tr>
<td>□ Division</td>
</tr>
<tr>
<td>□ Department</td>
</tr>
<tr>
<td>□ Location</td>
</tr>
<tr>
<td>Work Location:</td>
</tr>
<tr>
<td>□ Work Locations</td>
</tr>
</tbody>
</table>

### Options
- Format: **PDF**
• **Pay Groups**
  o Defaults to include all legal companies. Can deselect any to exclude them.

• **Affordable Safe Harbor Method**
  o Current Year Projected W-2 Wage
  o Rate of Pay

• **Projected Annual Cost**
  o Allows the user to enter the projected annual cost using any renewal rate in order to project the new rate’s affordability.
  o Always enter the annual cost as the system automatically converts the annual cost into a monthly cost for the Rate of Pay Affordable Safe Harbor Method.

• **Include Exceptions Only**
  o Allows the user to exclude employees who meet the safe harbor criteria.
  o Defaults to include all employees.

• **Union Employee Option**
  o Based on employees with job records that have been identified as a union job.
  o Employee jobs must be maintained to return valid data using this option.
  o Defaults to include all employees.

• **Employee Type Option**
  o Displays only hourly or salary employees based on the employee pay type.
  o Defaults to include all employee pay types.

• **Organizational Level**
  o Includes only employees from selected organization groups.
  o Defaults to include all.

• **Work Location**
  o Includes only employees from selected work locations.
  o Defaults to include all.

**Options**

• **Format**
  o PDF
  o Excel
The following columns are included:

- **Employee Name**
- **Employee ID**
- **Benefit Plan Lowest Cost Option**
  - Displays as “Projected Annual Employee Cost” since there is not an actual benefit plan associated with the report.
- **Pay Type**
- **Annual EE Cost of Benefit**
  - The annual cost entered in the Report Options is displayed here.
- **Benefit %**
  - Annual EE Cost of Benefit/Current Year Projected W-2 Wage
- **Compliance Exception**
  - Identifies exceptions where the annual cost of the lowest cost benefit plan exceeds 9.5% of the employee projected annual income.
- **Annual Reduction in Employee Benefit Cost to Comply**
  - Represents the amount of annual decrease in employee benefit cost to bring the full-time employee under the 9.5 percent affordability threshold if the rate of pay remained the same.
- **Monthly Reduction in Cost to Comply**
  - Represents the amount of monthly decrease in employee benefit cost to bring the full-time employee under the 9.5 percent affordability threshold if the rate of pay remained the same.
Rate of Pay

The following columns are included:

- **Employee Name**
- **Employee ID**
- **Benefit Plan Lowest Cost Option**
  - Displays as “Projected Annual Employee Cost” since there is not an actual benefit plan associated with the report
- **Pay Type**
- **Monthly EE Cost of Benefit**
  - The annual cost entered into the Report Options is converted into a monthly cost and displayed here.
- **Rate of Pay**
  - Coverage is considered affordable if the premium paid by the employee on a monthly basis does not exceed 9.5% of their rate of pay.
  - The system calculates the number as follows:
    - For hourly employees: Hourly rate of pay x 130
    - For non-hourly employees: Annual salary/12
- **Benefit %**
  - Monthly EE Cost of Benefit/Rate of Pay
- **Compliance Exception**
  - Identifies exceptions where the annual cost of the lowest cost benefit plan exceeds 9.5% of the employee’s rate of pay.
- **Hourly Increase in Wages to Comply**
  - Represents the hourly increase needed to bring the full-time employee under the 9.5 percent affordability threshold if the employee-only lowest cost option remained the same.
  - Only populates for Hourly pay types.

### Affordable Safe Harbor Determination Method: Rate of Pay

This report includes all Full Time or ACA Full Time active employees.

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Employee Number</th>
<th>Benefit Plan Lowest Cost Option</th>
<th>Pay Type</th>
<th>Monthly EE Cost Of Benefit</th>
<th>Rate of Pay</th>
<th>Benefit %</th>
<th>Compliance Exception</th>
<th>Hourly Increase in Wage To Comply</th>
<th>Annual Increase in Wage To Comply</th>
<th>Annual Reduction in Cost To Comply</th>
<th>Monthly Reduction in Cost To Comply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teresa Barrett</td>
<td>20</td>
<td>Projected Annual Employee Cost</td>
<td>Hourly</td>
<td>500.00</td>
<td>1,620.00</td>
<td>17.47 %</td>
<td>Exceeds 9.5%</td>
<td>26.49</td>
<td>3,925.20</td>
<td>327.10</td>
<td></td>
</tr>
<tr>
<td>George Berry</td>
<td>32</td>
<td>Projected Annual Employee Cost</td>
<td>Hourly</td>
<td>500.00</td>
<td>1,950.00</td>
<td>32.08 %</td>
<td>Exceeds 9.5%</td>
<td>26.49</td>
<td>4,221.80</td>
<td>391.80</td>
<td></td>
</tr>
<tr>
<td>Daphne Blake</td>
<td>2</td>
<td>Projected Annual Employee Cost</td>
<td>Hourly</td>
<td>500.00</td>
<td>1,040.00</td>
<td>40.88 %</td>
<td>Exceeds 9.5%</td>
<td>32.49</td>
<td>4,814.40</td>
<td>401.20</td>
<td></td>
</tr>
</tbody>
</table>
• **Annual Increase in Wages to Comply**
  o Represents the total amount of annual increase needed to bring the full-time employee under the 9.5 percent affordability threshold if the employee-only lowest cost option remained the same.
  o Only populates for Salary pay types.

• **Annual Reduction in Employee Benefit Cost to Comply**
  o Represents the amount of annual decrease in employee benefit cost to bring the full-time employee under the 9.5 percent affordability threshold if the rate of pay remained the same.

• **Monthly Reduction in Cost to Comply**
  o Represents the amount of monthly decrease in employee benefit cost to bring the full-time employee under the 9.5 percent affordability threshold if the rate of pay remained the same.

**ACA 1095-C Form Preview**

In order to assist with review of 1095C forms the iSolved system offers the ability to run the forms and transmittal (form 1094) as a condensed report which highlights the most common potential errors associated with the forms.
## ACA 1095-C Form Preview Report Options

### ACA 1095-C Form Preview

This report generates a summary of all Forms 1095-C for a report year for review.

### Filtering

**Year:**
- 2014

**Legal Company:**
- aev14 - Domos, Inc

**Organization Level:**
- Division
- Department

**Work Location:**
- Work Locations

### Sorting

**Sort Field 1:**

**Sort Field 2:**

**Sort Field 3:**

### Options

**Format:**
- PDF
Can be run for one legal at a time.

- **Organizational Level**
  - Includes only employees from selected organization groups.
  - Defaults to include all.

- **Work Location**
  - Includes only employees from selected work locations.
  - Defaults to include all.

- **Sorting**
  - Can be sorted by name, EE number, EE status, or organizational levels

**Options**

- **Format**
  - PDF
  - Excel

**ACA 1095-C Form Preview Report Results**

Displays information from forms 1094B and 1095C (through line 16) in a condensed format. Also includes rehire date, if applicable, to assist with review. The report highlights common errors that will cause a file to be rejected including such items as missing fields or invalid SSNs.

**ACA Setup Options**

iSolved’s ACA technology allows users to track eligibility for coverage and report on offers of coverage under IRS Sections 6055 and 6056 Reporting mandates. However, in order to track the eligibility and report accurately the user must complete system set up options. This section details the setup options available under Client Management>ACA Setup Options.
ACA Reporting Groups

The Reporting Groups tab allows users to set up two different types of groups—a Designated Governmental Entity (DGE) or Other ALE Members of an Aggregated ALE Group. A user may need to set up only one type of group, both types of groups or no group at all.

ACA Group Type

- Required field.
- Can select Designated Governmental Agency (DGE) or Aggregate ALE Group.
- Selecting DGE and completing the applicable fields will populate the applicable lines (9-16) of Part I of the Form 1094C.
- Selecting Aggregate ALE Group and completing the applicable fields will populate Form 1094-C Part IV Other ALE Members of Aggregated ALE Group.

ACA Report Group

- Required field.
- Enter the name of the Group in this field.

Additional Group Members

- Enter the legal name and FEIN of any additional ALE group members the filing entity must report which do not exist within the client code in iSolved.
- Additional group members can be added or deleted at any time.
- Additional group member name and FEIN will populate on Form 1095-C Part IV lines 36-65.

Group Members

- This section displays current legal companies that exist within iSolved that can be added as a DGE or Aggregated ALE Group member.
- Members selected for the Aggregated Group member type will populate on Form 1095-C Part IV lines 36-65.
Designated Governmental Entity

- This section allows a user to enter the demographic data required on Form 1094-C for filing as a Designated Governmental Entity. This information will populate Form 1095-C Part I lines 9-16.

NOTE: If a DGE it will apply to all Forms 1094C that are run while that DGE exists in the system. For example, a DGE entered in December of 2015 will populate on the 1094C for 2015 and any subsequent years until the DGE is removed.

NOTE: If an Aggregate ALE Group exists in the system it will display as an ACA Reporting Group under ACA Report Options and you can select the months that Group applies to for each reporting year.

ACA Report Options

The ACA Report Options menu item allows a user to define which forms (B or C) will be filed for the company as well as populate additional information and options on those forms.
ACA Report Options

ACA Reporting Year
- **ACA Reporting Year**: 2014
  - 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 WS Contact will be used.
- **Contact**: Henry HumanResources

ACA Reporting Form
- **1094/1095 B Forms**
  - The 1094B and 1095B forms are filed by self-insured employers who are not considered "Applicable Large Employers."
- **1094/1095 C Forms**
  - The 1094C and 1095C 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.
- **2015 Qualifying Offer Method Transition Relief**
  - Form 1094-C Line 22: Option 'B' will be selected.
- **Section 4980H Transition Relief**
  - Form 1094-C Line 22: Option 'C' will be selected.
  - Code A (50-99 Transition Relief)
  - Code B (100 or more Transition Relief)
  - 98% Offer Method
  - Form 1094-C Line 22: Option 'D' will be selected.

Employee Count Method
- **Employee Count Based On**: [Dropdown]
  - Default: Last Day of Month

Last Updated: 12/2/2016
ACA Reporting Year

- Reporting year must be established before Forms 1094 and 1095 can print.

ACA Company Contact

- Select your ACA Company Contact.
- Per IRS instructions, this should be the person responsible for answering any questions related to the forms.
- The Contact information is added under Client Management>Client Maintenance>Contacts

ACA Reporting Form

- Only one option may be selected
- Select the option to determine which forms will be generated (the B forms or the C forms.)

ACA Certification of Eligibility

- This section is only available if Reporting Form 1094/1095 C is selected.
- An employer may select all options that apply.
• The options in this section refer to Part II line 22 boxes A, B, C and D on Form 1094-C.
• Option B is available for tax year 2015, reserved for tax year 2016.
• Any box checked will populate the corresponding box on the Form 1094-C.
• If Option C (Section 4980H) Transition Relief is selected, Code A or Code B is a required field and one of those options must be selected.

ACA Reporting Group

• An Aggregate ALE Group set up under Reporting Groups displays in this section to indicate which Group setup will display for the Reporting year on Form 1094-C Part IV.
• Checking the applicable months or “all Months” in this section will populate Part III, column (d) of the Form 1094-C.

ACA Employer Overrides

The system calculates the data for the 1094C Part III columns a, b, and c; however the user can override these calculated values by entering override values on this screen.

For column a, the system uses employment category data and benefit plan data including eligibility rules, effective dates, coverage options and plan ACA designations to calculate whether Minimum Essential Coverage was offered to at least 70% for tax year 2015, 95% for tax year 2016 of the employer’s eligible employees. To override this calculated value, check the applicable months for which MEC was offered but not calculated as offered by the system.

NOTE: The override feature may be necessary for users who do not utilize the iSolved benefit module as the system will calculate a value of less than the threshold (70% for 2015, 95% for 2106 and beyond) when no benefit data is available within the system.

For column b, the system uses employment category data to count the number of employees who are assigned an ACA Status of “ACA Full Time” or those with any ACA Status who have the “Hrs (e.g. Variable) met for ACA Full-time Status” checkbox checked. To override this value, enter the number of employees for each month that requires an override.

For column c, the system uses the employees Status code to count the number of employees that are active each month using the count method designated on the Report Options screen. To override this value, enter the number of employees for each month that requires an override.

ACA Measurement Policies

The ACA requires employers to offer health coverage to full-time employees, defined as those who work on average, 30 or more hours per week. For employees with varying hours this can be a challenge to assess. The Act provides two methods for measuring the hours of service- the Monthly Measurement Method and the Look-Back Measurement Method.

The Monthly Measurement Method allows an employer to track hours of service on a month by month basis by calculating the hours of service in a month. If the threshold is met, the employee qualifies as full-time for ACA purposes and must be offered coverage.
The Look-back Measurement Method allows an employer to track hours of service over a defined measurement period. If the threshold is met, the employee qualifies as full-time for ACA purposes and must be offered coverage.

An employer may use different measurement methods or periods for different employee groups including union/non-union, different unions, salaried/hourly and employees whose primary workplaces are in different states. However, an employer cannot use criteria such as name or job title to assign different policies to the employees.

Policies

Identification:
- **Policy Group**: Required. Can be edited at any time.
- **Use Monthly Measurement Period checkbox**: designates a Policy Group as a “Monthly Measurement Period.” Leave blank to set up a “Look-Back Measurement Period.”
- **Priority**: Can be used to set priority on the policy. If an Employee is eligible for multiple policies, this number will determine which policy to assign to the Employee. May assign duplicate priorities to policies (i.e. you can have two policies assigned a priority of 1.) In that case, the system will assign the policy that was created first in the system.
- **Delete**: Policies can be deleted

Initial Measurement Period
- Required fields if **Use Monthly Measurement Period** is not checked.
- **Start On**: Options include “First Day,” “First Day of Month,” and “First Day of the First Payroll Period.”
- **Following ___ days of service**: A numerical value ranging from 0-90 days is allowed.
- **Duration**: A drop-down menu allowing a choice from 3-12 months displays.

Initial Stability Period
- Required fields if **Use Monthly Measurement Period** is not checked.
Notes:

- The duration of the Initial Measurement Period and the Initial Stability Period Start On option combined with the Following number will determine the length of the Administrative Period, if any, of the Employee’s initial measurement period.
- In no instance will the Stability Period begin any later than the last day of the first calendar month beginning on or after the one-year anniversary of the Employee’s start date (totaling, at most, 13 and a fraction months).
- The end date of the Stability Period will be determined by the results of the Employee’s hours worked during the Initial Measurement Period.

Eligibility

The rules included on the Eligibility tab will determine which policies are assigned to Employees based on their eligibility.

Eligibility Rules:

- Not required. If left blank, the policy will apply to all employees.
- Populates from all “Eligibility Rule Types” set up under Client Management>Benefits>Eligibility Rules.
Eligible Employees:

- Report button generates a report of eligible Employee’s based on the assigned eligibility rule.
- Export button generates an Excel file of eligible Employee’s based on the assigned eligibility rule.

Ongoing Measurement Periods

The Ongoing Measurement Periods tab allows users to set the “Standard Measurement,” “Administrative” and “Stability Period” dates for tracking Employee’s hours of service for the ACA.

### Standard Measurement Period:

**Start Date**

- Required
- Can be entered manually or chosen from the date picker
- “mm/dd/yyyy” format
- Once first record is established, subsequent Start Date records for the Policy Group must begin immediately following the end of the preceding Standard Measurement Period Stop Date.
- The Stop Date for the Standard Measurement Period is calculated by the system using the following logic: 
  
  \[ \text{Standard Administrative Period Start Date} - 1 \text{ day} \]

- The Start Date entered populates the SMP Start Date in the left grid.
- The calculated Stop Date populates the SMP Stop Date column in the left grid.

### Standard Administrative Period:

**Start Date**

- Required
- Can be entered manually or chosen from the date picker
- “mm/dd/yyyy” format
- Must be a minimum of 3 months from Standard Measurement Period Start Date and a maximum of 12 months from the Standard Measurement Period.
- The Stop Date for the Standard Administrative Period is calculated as follows:
  
  \[ \text{Standard Stability Period Start Date} - 1 \text{ day} \]

- The Start Date entered populates the SAP Start Date column in the left grid.
The calculated Stop Date populates the SAP Stop Date column in the left grid.

Standard Stability Period:

Start Date

- Required
- Can be entered manually or chosen from the date picker
- “mm/dd/yyyy” format
- Must be a minimum of 1 day from the start of the Standard Administrative Period and a maximum of 90 days from the start of the Standard Administrative Period.
- The Start Date entered populates the SSP Start Date column in the left grid.

Stop Date

- Required
- Can be entered manually or chosen from the date picker
- “mm/dd/yyyy” format
- Must be the greater of the duration of the Standard Measurement Period or six months from the Standard Stability Start Date up to a maximum of 12 months from the Standard Stability Start Date.
- The Stop Date entered populates the SSP Stop Date column in the left grid.

The following error message displays if dates entered do not meet the parameters:

Changes made to the measurement periods can be tracked through the Client Change log using the Client ACA Measurement Policy table.

ACA Measurement Periods-Employee level

This is an Employee level screen. It can be used by clients to view initial and ongoing measurement periods applicable to Employees and the results of each measurement period. It is accessed via Employee Management>Employee Benefits>ACA Measurement Period.
ACA Measurement Period

- Can be filtered by “Initial” or “Ongoing”
- The default is “Ongoing” and As of Date equal to today’s date.

**Initial:**
- Policy group populates with the policy group that employee was assigned to as of employee’s date of hire.
- Initial Measurement Period Start Date populates based on defined parameters from applicable policy group at date of hire.
- Initial Measurement Period Stop Date populates based on number of months designated in applicable policy group.
- Average IMP Hours is populated using a calculation of average hours worked per week over the entire measurement period to date using the accumulator setup with Accumulator Code = ACAHRS. If no accumulator code is set up then use all paid hours that are not 1099 hours.
- Initial Stability Period Start Date populates based on defined parameters from applicable policy group at date of hire. This date may not extend beyond the last day of the first calendar month beginning on or after the one-year anniversary of the employee’s start date (totaling, at most, 13 and a fraction months).
- Initial Stability Period Stop Date populates based on the following logic:
  - If Average IMP Hours result is >30, the stop date is equal to the six months or the duration of the Initial Measurement Period, whichever is greater.
  - If Average IMP Hours result is <30, the stop date is equal to the Administrative Period Stop Date for that policy occurring on or after the end of the Initial Measurement Period.
- Stability Period ACA Status populates based on the results of Average Hours for the period.
  - If Initial Measurement Period Stop Date has passed and Average IMP Hours result is >30, the Stability Period ACA Status will be “Full-Time”. If the result is <30, the Stability Period ACA Status will be “Part-Time”.
  - If Initial Measurement Period Stop Date has not passed and Average IMP Hours result is >30, the Stability Period ACA Status will be “Projected Full-Time”. If the result is <30, the Stability Period ACA Status will be “Projected Part-Time”.

**Ongoing**
- Ongoing Is the default filter for this screen
- Policy Group: Any measurement policy applicable to the employee on the “As of Date” should be included.
• Standard Measurement Period Start Date: fixed date pulled from any measurement policy period with a date range (Standard Measurement Period date through the associated Stability Period End date) that falls within the “As of Date.” May be multiple periods that fall within the date range.

• Standard Measurement Period Stop Date: fixed date pulled from any measurement policy period with a date range (Standard Measurement Period date through the associated Stability Period End date) that falls within the “As of Date.” May be multiple periods that fall within the “As of Date.”

• Average SMP Hours-calculation:
  o If Measurement Period Stop Date has passed, calculate the average hours worked per week over the entire measurement period using an accumulator setup with Accumulator Code = ACAHRS. If no accumulator code is set up then use all paid hours that are not 1099 hours.
  o If Measurement Period Stop Date has not passed, calculate the average hours worked per week from the Measurement Period Start Date through the current date.

• Admin Period Start Date: fixed date pulled from any measurement policy period with a date range (Standard Measurement Period date through the associated Stability Period End date) that falls within the “As of Date.” May be multiple periods that fall within the “As of Date.”

• Admin Period Stop Date: fixed date pulled from any measurement policy period with a date range (Standard Measurement Period date through the associated Stability Period End date) that falls within the “As of Date.” May be multiple periods that fall within the “As of Date.”

• Stability Period Start Date: fixed date pulled from any measurement policy period with a date range (Standard Measurement Period date through the associated Stability Period End date) that falls within the “As of Date.” May be multiple periods that fall within the “As of Date.”

• Stability Period Stop Date: fixed date pulled from any measurement policy period with a date range (Standard Measurement Period date through the associated Stability Period End date) that falls within the “As of Date.” May be multiple periods that fall within the “As of Date.”

• Stability Period ACA Status-calculation:
  o If Standard Measurement Period Stop Date has passed and “Average SMP Hours” result is >30, return “Full Time”. If the result is <30, return “Part Time”.
  o If Standard Measurement Period Stop Date has not passed and “Average SMP Hours” result is >30, return “Projected Full Time”. If the result is <30, return “Projected Part Time”.

Payroll Process Utility

Upon completion of each payroll cycle a utility runs to determine if the Employment Category, specifically the Hours Met for ACA FT Status check box requires adjustment.

New Hires/Initial Measurement Periods

• If an employee’s assigned Initial Measurement Period End Date falls within the pay period dates of the payroll cycle a calculation is performed for that employee to determine average hours. The calculation uses the ACAHRS accumulator if one exists or all paid hours that are not 1099 hours if one does not, to determine average hours worked per week over the Initial Measurement Period.

• If a New Hire in their Initial Measurement Period averages 30 or more hours per week the following occurs:
If a New Hire in their Initial Measurement Period averages less than 30 hours per week no action is taken.

Ongoing Employees/Standard Measurement Periods

- If any Standard Measurement Period Stop Dates fall within the pay period dates of the payroll cycle a calculation is performed for all Employee’s assigned to the that policy to determine average hours. The calculation uses the ACAHRS accumulator if one exists or all paid hours that are not 1099 hours if one does not, to determine average hours worked per week over the Initial Measurement Period.

- If an Employee in a Standard Measurement Period averages 30 or more hours per week and is currently not classified as ACA full-time status, the following occurs:
  - A new Employment record effective as of the Standard Stability Period Start Date associated with the Standard Measurement Period used for this calculation is created.
  - The new record does not change the current Employment Category (i.e. Part-time).
  - The new record includes any other selected criteria from the current record (i.e. Corporate Officer = “TRUE”).
  - Hours (e.g. Variable) met for ACA Full-time Status is changed to “TRUE.”
  - Create ‘Change in Employment Category’ Life Event is changed to “TRUE.”

- If an Employee in a Standard Measurement Period averages 30 or more hours per week and is currently classified as ACA full-time status, no action is taken, the Employee remains ACA full-time status eligible.

- If an Employee in a Standard Measurement Period averages less than 30 hours per week and is currently not classified as ACA full-time status, no action is taken, the Employee remains ineligible.

- If an Employee in a Standard Measurement Period averages less than 30 hours per week and is currently classified as ACA full-time status, the following occurs:
  - A new Employment record effective as of the Standard Stability Period Start Date associated with the Standard Measurement Period used for this calculation is created.
  - The new record does not change the current Employment Category (i.e. Part-time).
  - The new record includes any other selected criteria from the current record (i.e. Corporate Officer = “TRUE”).
  - Hours (e.g. Variable) met for ACA Full-time Status is changed to “FALSE.”
  - Create ‘Change in Employment Category’ Life Event is changed to “TRUE.”

Report Options
Two reports are available in the Client Reports menu which provide measurement period results for both Monthly Measurement Periods and Look-Back Measurement Periods.

**ACA Monthly Measurement Status Report**

This report measures hours of service for employees assigned to a monthly measurement policy based on criteria chosen in the Report Filters.

**ACA Monthly Measurement Status Report Options**

**Filtering**

- **Month**: choose the month for which you are measuring hours of service
- **Weekly Rule**: the report uses the “Weekly Rule” to accommodate payroll periods under the Monthly Measurement Method which is based on the week that includes the first day of month or the last day of the month—not both unless first or last day of the week is also the first or last day of month respectively.

**Options**

- PDF
- Excel
ACA Monthly Measurement Status Report Results

<table>
<thead>
<tr>
<th>Employee Number</th>
<th>Employee Name</th>
<th>Date of Hire</th>
<th>Measurement Policy Group Name</th>
<th>Current ACA Status</th>
<th>Current Hours Met for ACA FT Status</th>
<th>Hours of Service for the Month</th>
<th>Measured ACA Status</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Amy Fowler</td>
<td>08/01/2020</td>
<td>Monthly</td>
<td>ACA Variable</td>
<td>160.00 Full-time</td>
<td>Hours Met for ACA Full-time Status, Offer Health Benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Bernadette Hobson</td>
<td>07/01/2020</td>
<td>Monthly</td>
<td>ACA Variable</td>
<td>Yes 60.00 Part-time</td>
<td>Based on hours, verify ACA STATUS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Howard Hobson</td>
<td>07/01/2020</td>
<td>Monthly</td>
<td>ACA Full Time</td>
<td>160.00 Full-time</td>
<td>No action required</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Leila White</td>
<td>06/23/2015</td>
<td>Monthly</td>
<td>ACA Variable</td>
<td>60.00 Full-time</td>
<td>No action required</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Mary Cooper</td>
<td>06/23/2015</td>
<td>Monthly</td>
<td>ACA Variable</td>
<td>160.00 Full-time</td>
<td>Hours Met for ACA Full-time Status, Offer Health Benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Penny Nixon</td>
<td>07/06/2020</td>
<td>Monthly</td>
<td>ACA Full Time</td>
<td>160.00 Full-time</td>
<td>No action required</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Rajah Kothrapuji</td>
<td>07/02/2020</td>
<td>Monthly</td>
<td>ACA Full Time</td>
<td>60.00 Part-time</td>
<td>Based on hours, verify ACA STATUS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Sheldon Cooper</td>
<td>07/02/2020</td>
<td>Monthly</td>
<td>ACA Full Time</td>
<td>160.00 Full-time</td>
<td>No action required</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Stuart Bloom</td>
<td>06/23/2020</td>
<td>Monthly</td>
<td>ACA Variable</td>
<td>Yes 160.00 Full-time</td>
<td>No action required</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Report results:

- Employee number
- Employee Name
- Date of Hire
- Measurement Policy Group Name
- Current ACA Status
  - Current status assigned to the employee in the system.
- Current Hours Met for ACA FT Status
  - Indicates whether the box for “Hrs (e.g. Variable) met for ACA Full-time Status” is checked.
  - Returns “Yes” when box is checked.
- Hours of Service for the Month
  - Uses ACAHRS accumulator or if the accumulator is not set up will use all paid hours that are not 1099 hours.
- Measured ACA Status
  - Displayed as “Full-time” or “Part-time” as determined by the hours of service and number of weeks in the measurement month.
  - In months with a four-week period, a full-time employee is an employee with at least 120 hours of service. In months with a five-week period, a full-time employee is an employee with at least 150 hours of service.
- Results
  - If Employee is currently classified as “ACA Full Time” or “Hrs (e.g. Variable) met for ACA Full-time Status” and hours of service continue to be met for full-time status, report will display “No action required”.
  - If Employee is currently classified as “ACA Full Time” or “Hrs (e.g. Variable) met for ACA Full-time Status” and hours of service do not continue to be met for full-time status, report will display “Based on hours, verify ACA status”.
  - If Employee is currently classified as “ACA Variable” and hours of service are met for full-time status, report will display “Hours Met for ACA Full-time Status, Offer Health Benefits”.
  - If Employee is currently classified as “ACA Variable” and hours of service are not met for full-time status, report will display “No action required”.

ACA Look-Back Change in Status Report
This report measures provides measurement period status for employees assigned to a look-back measurement policy based on the parameters of the measurement policy.

The report will only return results when an employee has completed an initial or standard measurement period. It is divided into two sections—one for Initial Measurement Period results and one for Ongoing Measurement Period results.

### ACA Look-Back Change in Status Report Options

**Filtering**

- **Company**-allows user to run the report for one legal company.
  - This is a payroll report and as such can only be run for one legal at a time.

**Sorting**

- Not active at this time.

**Options**

- **Add Report to Archive**
  - Allows the user to add the report to the report archive.
  - Useful when data is generated due to a measurement period conclusion.
ACA Look-Back Change in Status Report Results

Report results:

- **Employee number**
- **Employee name**
- **Measurement Policy Group Name**
- **Current ACA Status**
  - Displays the employee’s current system ACA status.
- **Current Hours Met for ACA FT Status**
  - Indicates whether the box for “Hrs (e.g. Variable) met for ACA Full-time Status” is checked.
  - Returns “Yes” when box is checked.
- **Measurement Period Hours of Service**
  - Uses ACAHRS accumulator or if the accumulator is not set up will use all paid hours that are not 1099 hours.
  - Calculates average hours of service per week over the Measurement Period.
- **Stability Period Status**
  - Result of Measurement Period hours.
  - Displayed as “Full-time” or “Part-time” as determined by the average hours of service per week in the Measurement Period.
- **Stability Period Start Date**
  - Defined by the Measurement Policy.

### ACA Wellness Plan Credits

The iSolved system offers the ability to calculate benefit plan rates and corresponding deductions for benefit plans with a wellness component which offer a premium credit. This feature also permits the system to populate corresponding rates for those plans accurately on the ACA Form 1095-C for Applicable Large Employers.

### Employee Level Wellness Plan Flag
(Employee) Benefit Plans UI

A flag exists at the employee level to indicate whether employee met the required criteria for a "health-contingent wellness program."

Screen shot of the Employee Management>Employee Benefits>Benefit Plans UI

- Field is titled: “Wellness Plan-Other”
- The flag displays for all benefit plan types

Client level Benefit Plan Credit fields

Client Benefit Plans UI

Two fields in the Client Benefit Plans Rates tab enable the user to capture premium credits offered for meeting Wellness Plan criteria.

Screen shot of Client Management>Benefits>Benefit Plans>Rates-right grid
New Section titled: Wellness Plan Credits

New fields include:
  - Non-tobacco use Monthly Value
  - Wellness-other Monthly Value

New fields display for all benefit plans
User can enter positive numerical values
Can be left blank or 0.00
Application of Wellness Credit fields and Employee Flags

**Benefit Calculation**

**Non-tobacco Credit**
- If the benefit plan field “Non-tobacco use Monthly Value” > 0.00 and if the Employee Management>Employee Maintenance>Personal Tobacco Use field is FALSE, then the system applies the credit to the “EE Monthly Value” or applicable “Employee rate” form the cost bands and the employee’s deduction is reduced accordingly.
- If the benefit plan field “Non-tobacco use Monthly Value” > 0.00 and if the Employee Management>Employee Maintenance>Personal Tobacco Use field is TRUE, then the “EE Monthly Value” or applicable “Employee Rate” from the cost bands is used for the employee’s deduction.
- If the benefit plan field “Non-tobacco use Monthly Value” <= 0.00 , then the “EE Monthly Value” or applicable “Employee Rate” from the cost bands is used for the employee’s deduction.

**Wellness-other Credit**
- If the benefit plan field “Wellness-other Monthly Value” > 0.00 and if the Employee Management>Employee Benefits>Benefit Plans> ‘Wellness Plan-Other’ field is TRUE, then the system applies the credit to the “EE Monthly Value” or applicable “Employee rate” form the cost bands and the employee’s deduction is reduced accordingly.
- If the benefit plan field “Wellness-other Monthly Value” > 0.00 and if the Employee Management>Employee Benefits>Benefit Plans> ‘Wellness Plan-Other’ field is FALSE, then the “EE Monthly Value” or applicable “Employee Rate” from the cost bands is used for the employee’s deduction.
- If the benefit plan field “Wellness-other Monthly Value” <= 0.00 , then the “EE Monthly Value” or applicable “Employee Rate” from the cost bands is used for the employee’s deduction.

**Employer Memo Calculation**
- If the benefit plan field “Non-tobacco use Monthly Value” > 0.00 and if the Employee Management>Employee Maintenance>Personal Tobacco Use field is FALSE, then the system applies the Employee’s credit amount from the “Non-tobacco use Monthly Value field” to the “ER Monthly Value” or applicable “Employer Rate” from the cost bands and the Employer’s Monthly rate is increased accordingly.
- If the benefit plan field “Non-tobacco use Monthly Value” > 0.00 and if the Employee Management>Employee Maintenance>Personal Tobacco Use field is TRUE, then the “ER Monthly Value” or applicable “Employer Rate” from the cost bands is used for the Employer Monthly rate.
- If the benefit plan field “Wellness-other Monthly Value” > 0.00 and if the Employee Management>Employee Benefits>Benefit Plans> ‘Wellness Plan-Other’ field is TRUE, then the system applies the Employee’s credit amount from the “Wellness-other Monthly Value field” to the “ER Monthly Value” or applicable “Employer Rate” from the cost bands and the Employer’s Monthly rate is increased accordingly.
- If the benefit plan field “Wellness-other Monthly Value” > 0.00 and if the Employee Management>Employee Benefits>Benefit Plans> ‘Wellness Plan-Other’ field is FALSE, then the
“ER Monthly Value” or applicable “Employer Rate” from the cost bands is used for the Employer Monthly rate.

- If the benefit plan field “Non-tobacco use Monthly Value” <= 0.00, then the “ER Monthly Value” or applicable “Employer Rate” from the cost bands is used for the Employer Monthly rate.
- If the benefit plan field “Wellness-other Monthly Value” <= 0.00, then the “ER Monthly Value” or applicable “Employer Rate” from the cost bands is used for the Employer Monthly rate.

Application of Wellness Credit fields to ACA Line 15 Reporting

**ACA Line 15 logic**

- Line 15 of Form 1095-C is completed only if code 1B, 1C, 1D, or 1E is entered on line 14 either in the “All 12 Months” box or in any of the monthly boxes.
- If there are override values entered, on the employee ACA Report Overrides UI for Line 15, for any month, that value is used.
- ACA designated group health plans calculate the value of wellness plan credits as follows:
  - If the plan provides a credit for non-tobacco use only, all participants are treated as having met the criteria and the cost reported reflects the non-tobacco use cost for employee only coverage.
  - If the plan provides a credit for any other health-contingent criteria, all participants are treated as having failed the criteria and the cost reported reflects the full employee only coverage cost without any premium credits.

**ACA Report Overrides - Employee level**

The system is designed to allow for overrides of automated data when necessary. Overrides on the employee level may be used in situations where benefits are not set up in the system, mid-year conversions that do not bring history in, to capture coverage related to retirees or COBRA participants, or to designate non-calendar year transition relief.

**ACA Reporting Year**

**ACA Reporting Year**

- Required field to establish which reporting year to override any system generated data.

**Code Series 1 Override Codes**

- Overrides system generated data, including blank data, on Form 1094-C Line 14
- Can select a code for “All Months” or by month

**Code Series 2 Override Codes**

- Overrides system generated data, including blank data, on Form 1094-C Line 16
- Can select a code for “All Months” or by month
Employee Share of Lowest Cost of Monthly Premium Override Amounts

- Overrides system generated data, including blank data, on Form 1094-C Line 16
- Can select an amount to apply to “All Months” or by month

Coverage Overrides

- System will populate this screen with Employee and dependents
- User has the ability to select coverage overrides for an Employee and his dependents for “All Months” or by month

ACA Overrides Import Functionality

Users can give clients the ability to import any employee-level overrides for ACA reporting. The override UI is accessed through the ACA Setup Option menu item.

Screenshot of the import UI:

- The import functions similar to all other import files supported by the system.
- Users may upload an excel, csv, or fixed format file.
- Users must include a company, pay group and import key.
- One record is added for an employee for each year imported. If an override record already exists for an employee the entire override record will be replaced by the imported data.

Non-Employee Overrides

- This is a Legal Company level screen so any new items added on this screen are assigned to the current legal.
• Includes a “year” filter at the top to filter down to any Non-employees included for the designated year.

• This is a tabbed UI with the following tabs: Non-employee Overrides and Dependents.

• Side grid: The grid on the left side of the screen has the column of ‘Name’. It will display all names that have records for that year.

**Non-Employees**

**Non-employee information:**

• First name

• Last name

**Personal Information:**

• SSN-
  
  o Will update once “Update SSN field is completed.”

• Update SSN

• Birth Date
  
  o Will update once “Update Birth Date” field is completed.

• Update Birth Date

**Address:**

• Street

• Zip Code

• City

• State

**Coverage Information:**

• Year

• User has the ability to select coverage overrides for an Employee and his dependents for “All Months” or by month

**Dependents**

**Dependent Information**

• First Name

• Last Name

**Personal Information**

• SSN-
  
  o Will update once “Update SSN field is completed.”

• Update SSN
• Birth Date
  - Will update once “Update Birth Date” field is completed.
• Update Birth Date

**Coverage Information:**

• Year
  - Automatically populates based on year(s) already set up for the non-employee.
• User has the ability to select coverage overrides for an Employee and his dependents for “All Months” or by month

### 1094 and 1095 B Forms

Every person that provides minimum essential coverage to an individual during a calendar year must file an information return and a transmittal. Most filers will use Forms 1094-B (transmittal) and 1095-B (return). However, employers (including government employers) subject to the employer shared responsibility provisions sponsoring self-insured group health plans will report information about the coverage in Part III of Form 1095-C, Employer-Provided Health Insurance Offer and Coverage, instead of on Form 1095-B.

Form 1094-B is a transmittal “cover sheet” submitted to the IRS with the 1095-B forms. Form 1095-B is used to report certain information to the IRS and to taxpayers about individuals who are covered by minimum essential coverage and therefore are not liable for the individual shared responsibility payment. More specifically it is a statement which indicates the months an individual and any dependents were enrolled in qualified coverage. It is submitted to both the IRS and the covered individual.

### How iSolved populates Form 1094-B

Information necessary to populate Form 1094-B:

- Client Maintenance>Legal Company>Federal EIN
- Client Maintenance>Addresses>Client Address
- Client Maintenance>Contacts>General Contact Info & Phone Numbers
- ACA Setup Options>ACA Report Options>
  - The employer is responsible for supplying the information for this screen in order to populate the forms correctly.
  - ACA Reporting Year
  - ACA Company Contact
    - Be sure and designate a contact that will be knowledgeable about the forms and group health plan.
  - ACA Reporting Form-select the applicable filing forms for the company B or C.
How iSolved populates Form 1095-B

Information necessary to populate Form 1094-C:

- Employer information, same as required for the 1094-B
- Employee Maintenance>General>Name/Address/SSN
- Human Resources>Employee Contacts>Name/SSN for covered dependents
  - Must have DOB if SSN is not available
  - Must make 3 reasonable attempts to obtain SSN
- Benefits>Benefit Plans>ACA Plan Options>All boxes must be checked as shown below
1094 and 1095 C Forms

Employers with 50 or more full-time employees (including full-time equivalent employees) use Forms 1094-C and 1095-C to report the information required under sections 6055 and 6056 about offers of health coverage and enrollment in health coverage for their employees. Form 1094-C must be used to
report to the IRS summary information for each employer and to transmit Forms 1095-C to the IRS. Form 1095-C is used to report information about each employee. In addition, Forms 1094-C and 1095-C are used in determining whether an employer owes a payment under the employer shared responsibility provisions under section 4980H. Form 1095-C is also used in determining the eligibility of employees for the premium tax credit.

Employers that offer employer-sponsored self-insured coverage also use Form 1095-C to report information to the IRS and to employees about individuals who have minimum essential coverage under the employer plan and therefore are not liable for the individual shared responsibility payment for the months that they are covered under the plan.

Form 1094-C is a transmittal “cover sheet” submitted to the IRS with the 1095-C forms. It contains summary information for each employer including certifications of eligibility, aggregate group member information and any transition relief which may apply. Form 1095-C is a statement reporting on offers of coverage to employees. It is submitted to the IRS and the employee or plan participant. For large, self-insured employers it also provides covered participants with the information necessary to show compliance with the ACA individual mandate.

How iSolved populates Form 1094-C

Information necessary to populate Form 1094-C:

- Client Maintenance>Legal Company>Federal EIN
- Client Maintenance>Addresses>Client Address
- Client Maintenance>Contacts>General Contact Info & Phone Numbers
- ACA Setup Options>ACA Report Options>ACA Company Contact
  - Be sure to designate a contact who will be knowledgeable about the forms/health plan
- ACA Setup Options>ACA Report Options>
  - The employer is responsible for supplying the information for this screen in order to populate the forms correctly.
  - ACA Reporting Year
  - ACA Company Contact
    - Be sure and designate a contact that will be knowledgeable about the forms and group health plan.
  - ACA Reporting Form-select the applicable filing forms for the company B or C.
  - ACA Certifications of Eligibility
    - Indicate any applicable certifications by checking the appropriate box.
    - Selecting a certification is not required.
    - If Section 4980H Transition Relief is selected Code A or Code B is required.
    - Allows one or multiple selections
  - ACA Reporting Group
    - If a Reporting Group has been set up it will display here.
    - User can select to be a part of the Reporting Group for “All months” or individually by month.
Employee Count Method

- User can select from First Day of Each Month, Last Day of Each Month, First Day of the First Payroll Period that Starts During the Month, Last Day of the First Payroll Period that Starts During the Month.
### ACA Technology User Guide

#### Part III

**ALE Member Information - Monthly**

<table>
<thead>
<tr>
<th>Month</th>
<th>Yes</th>
<th>No</th>
<th>Total Employee Count for ALE Member</th>
<th>Aggregated Group Indicator</th>
<th>Section 3.69 Transition Vested Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan</td>
<td></td>
<td></td>
<td>194</td>
<td>133</td>
<td>0</td>
</tr>
<tr>
<td>Feb</td>
<td></td>
<td></td>
<td>194</td>
<td>133</td>
<td>0</td>
</tr>
<tr>
<td>Mar</td>
<td></td>
<td></td>
<td>194</td>
<td>133</td>
<td>0</td>
</tr>
<tr>
<td>Apr</td>
<td></td>
<td></td>
<td>194</td>
<td>133</td>
<td>0</td>
</tr>
<tr>
<td>May</td>
<td></td>
<td></td>
<td>194</td>
<td>133</td>
<td>0</td>
</tr>
<tr>
<td>Jun</td>
<td></td>
<td></td>
<td>194</td>
<td>133</td>
<td>0</td>
</tr>
<tr>
<td>Jul</td>
<td></td>
<td></td>
<td>194</td>
<td>133</td>
<td>0</td>
</tr>
<tr>
<td>Aug</td>
<td></td>
<td></td>
<td>194</td>
<td>133</td>
<td>0</td>
</tr>
<tr>
<td>Sep</td>
<td></td>
<td></td>
<td>194</td>
<td>133</td>
<td>0</td>
</tr>
<tr>
<td>Oct</td>
<td></td>
<td></td>
<td>194</td>
<td>133</td>
<td>0</td>
</tr>
<tr>
<td>Nov</td>
<td></td>
<td></td>
<td>194</td>
<td>133</td>
<td>0</td>
</tr>
<tr>
<td>Dec</td>
<td></td>
<td></td>
<td>194</td>
<td>133</td>
<td>0</td>
</tr>
</tbody>
</table>

- **iSolved populates based on Options selected on ACA Report Options (A or B) and if no option is selected it is based on a system calculation.**
- **Calculates from system data.**
- **Calculates from system data.**

#### Part IV

**Other ALE Members of Aggregated ALE Group**

Enter the names and EINs of Other ALE Members of the Aggregated ALE Group (who were members at any time during the calendar year):

<table>
<thead>
<tr>
<th>Name</th>
<th>EIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Widget Builders, LLC</td>
<td>007604521</td>
</tr>
<tr>
<td>...</td>
<td>...</td>
</tr>
</tbody>
</table>

- **Populates based on Reporting Groups selected on ACA Report Options Page.**

---

**Important note:** Include only the first 30 ALE members. If there are more than 30 ALE members report the largest (by employee count) 30 members.
ACA Technology User Guide
<table>
<thead>
<tr>
<th>Form</th>
<th>Purpose</th>
<th>Who files</th>
<th>Who receives</th>
<th>Deadline</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1094-B</td>
<td>Cover sheet that accompanies the 1095-B Forms</td>
<td>Health insurance issuers or carriers</td>
<td>IRS</td>
<td>February 29, 2016 (leap year)</td>
<td>Must be filed with Form 1095-B</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Small, self-insured employers</td>
<td></td>
<td>March 31, 2016 for electronic filers</td>
<td></td>
</tr>
<tr>
<td>1095-B</td>
<td>Statement indicating which months the individual and any dependents were covered by Minimum Essential Coverage</td>
<td>Health insurance issuers or carriers</td>
<td>IRS</td>
<td>February 29, 2016 (leap year)</td>
<td>Send to last known address</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Small, self-insured employers</td>
<td>Employee/Health plan participant</td>
<td>March 31, 2016 for electronic filers</td>
<td>May provide electronically with recipient’s affirmative consent</td>
</tr>
<tr>
<td>1094-C</td>
<td>Cover sheet that accompanies the 1095-C Forms</td>
<td>Applicable Large Employers (ALE)- those with 50 or more full-time employees (including full-time equivalent employees)</td>
<td>IRS</td>
<td>February 29, 2016 (leap year)</td>
<td>Must be filed with Form 1095-C.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>March 31, 2016 for electronic filers</td>
<td>Reports summary information for each employer</td>
</tr>
<tr>
<td>1095-C</td>
<td>Statement reporting on offers of health coverage and enrollment in health coverage for employees</td>
<td>ALE (Employers with 50 or more full-time employees (including full-time equivalent employees)</td>
<td>IRS</td>
<td>February 29, 2016 (leap year)</td>
<td>Send to last known address</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>IRS</td>
<td>March 31, 2016 for electronic filers</td>
<td>May provide electronically with recipient’s affirmative consent</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Each full-time employee</td>
<td>IRS</td>
<td>Used to determine eligibility of employees for the premium tax credit</td>
</tr>
</tbody>
</table>
ACA Dashboards

The system offers an ACA Executive Dashboard in order to organize and present ACA-related data in an easy to read format. ACA-related data includes ACA eligibility, measurement period status and ACA Benefit Plan enrollment.

The data can be viewed for all of the legals within a client code or one legal at a time.

ACA Eligibility

The ACA Eligibility UI is an overview of how many employees have an ACA status that deems them eligible for medical coverage under the ACA (i.e. ACA full time and any other status where the “Hrs (eg Variable) Met for ACA Full Time Status” box is checked) and how many have an ACA status that deems them ineligible for coverage or exempt from coverage under the ACA.

ACA Eligibility Breakdown

This UI is an in-depth look at the ACA status categories and how they break down by eligible vs. not eligible employees. The five system categories for ACA Status include ACA Full Time, ACA Variable, ACA Variable Adjunct, ACA Variable Seasonal and ACA Part Time. The pie chart displays the breakdown of ACA-eligible employees by ACA status category and the bar chart displays the breakdown of each ACA status category—how many employees are ACA eligible and how many are not.
ACA Measurement Period Status

If the system is set up to track measurement periods, this UI displays a current snapshot of how many employees are currently under the 30-hour average threshold and how many employees are currently above the 30-hour average threshold for each measurement policy.
ACA Enrollment

The ACA Enrollment UI displays the election status of employees that are eligible for medical coverage under the ACA according to their ACA status. An employee will show as enrolled in coverage if they have elected medical benefits under a medical plan that is setup as a plan with Minimum Essential Coverage and Minimum Value. Employees who do not have an election under such a plan, including those who have waived coverage, will display as “No Election.”

ACA Year end Process

Client Level Approval

The ACA year end UI allows customers the ability to process and approve their ACA 1094 and 1095 forms.

ACA Forms Approval

Screen shot of the ACA Year End UI:
ACA Forms Approval

Year
*Year: 2016

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

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

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.

Last Approved

ACAA Year end Approval functionality

- Drop down allows user to select the year to run Preview/Submit forms.
- If no Reporting Year is available the following language displays:
  No Reporting Year available. Please set up a Reporting Year under Client Management>ACA Setup Options>ACA Report Options
- Report Type
  - The Report type (B or C) displays based on the option selected in the ACA Report Options UI
- Preview Report
Available for C forms only.

The ‘Preview Report’ button generates a condensed report of the 1094C and the 1095C forms through line 16 in pdf format.

The report highlights common critical errors in red and potential errors in yellow.

Preview Forms

Available for B and C forms.
Generates a pdf copy of the 1094 and 1095 forms for the tax year.

Approve Forms 1094/1095

Stores a copy of the report—both the “ACA Form ‘1095-‘ &‘ Printable” and the “ACA Form ‘1094-‘ &‘ and 1095-‘’ &’” in the report archive and the reports are made available in the Year-End Batch Print for Service Bureau processing.

The “Approve Forms” button disables once the forms have been approved.

The Service Bureau can unapprove forms.

Last Approved

The system will display the last user who approved the forms.
The system will display the date and time the forms were approved.

If the Service Bureau unapproves the forms and the user approves forms a second time and the forms have not been printed the second set will replace the copies in the year end report archive and the year end batch print.

If the Service Bureau unapproves the forms and the user approves a second and the forms have been printed, both copies will remain in the year end report archive and the most recent copy will replace the original in the year end batch print.

Service Bureau Level

ACA Approval Functionality

Screen shot of ACA Year End-Approve UI:
• Users have the ability to generate a list of legal companies to view or export using the following criteria:
  o Legal companies that have been submitted by the client
  o Legal companies that have not been submitted by the client
  o Legal companies that do not have ACA services.

• Once a company’s ACA has been approved on the Year end approval screen it will be available in Year End Batch Print for printing.

Service Bureau Level Export File

Screen shot of ACA 1094-1095 Export File Creation:

Create File tab

• Users have the ability to generate an electronic file in xml format for use with the IRS Affordable Care Act Information Returns (AIR) Program.
• Users will select the following:
  o Year
  o Export type: 1095B or 1095C
  o Company-only approved companies will display as options.
• User can then create file by hitting the ‘Create File’ icon.

History tab
• Users have the ability to open and save the xml file from this UI.
• Users will select the following:
  o From/To date range will capture files created within the range
  o Export type: 1095B or 1095C
  o By Batch ID number.
• Users have the ability to regenerate, refresh or reset all companies from this UI.
• User can select a Batch Report option
  o Both the electronic data file and the manifest file as required by the AIR system are available in the drop-down menu.
  o The files will open and you can save as an xml in order to upload to the IRS ACA AIR system in the required xml format.

Errors tab
• Displays the client code, legal name, year and quarter of any files that do not generate due to errors.
• Users can regenerate files from this UI.

ACA Corrections and Replacements
The ACA 1094-1095 Corrections/Replacements screen is used to create correction or replacement ACA files. Users will enter the Batch ID of the file to be corrected or replaced, which exists in the system and upload the error acknowledgement file pertaining to that batch obtained from the IRS ACA AIR system in xml format.
Batch ID
Required. Must match a valid batch ID that exists in the ACA 1094-1095 History.

Upload File
Required. A valid error file downloaded from the IRS ACA AIR system must be uploaded to allow a corrected file to be generated. The file must be in xml format.

Create File tab
After selecting companies, click on the Create File button to create the file.

The batch ID is used to reference the original file which generated AIR system errors. The error file is compared to the batch ID file and results in 1 or 2 correction files, depending on Transmission Status.

Transmission Status types include:

- Accepted (no further action necessary)
- Accepted with Errors-Requires a Correction File
- Partially Accepted
Rejected submissions within the file require a Replacement (submission) File

Accepted with Errors submissions within the file require Correction File

- Rejected-Requires a Replacement (transmission) File

**Correction Files**

For errors associated with a client’s 1094 form, a corrected form 1094 is created. Only C forms will require corrections on the 1094 (transmittal cover sheet.)

If there are errors associated with a client’s 1095 forms, corrected 1095s are created. Both 1095 Bs and 1095Cs may need to be corrected.

A Manifest file is created in all scenarios.

**Corrected 1094 submissions**

A corrected 1094-C file includes the following elements (in addition to those included in an original submission):

- ‘CorrectedUniqueSubmissionId’ (CUSID) which identifies the record being corrected and is made up of the USID from the original file (i.e. USID=1095C-16-00026029|11
- ‘TransmissionTypeCd’ set to ‘C’
- A new ‘UniqueSubmissionId’
- A new ‘SubmissionId’

**Corrected 1095 submissions**

Corrected 1095 files include the following elements (in addition to those included in an original submission):

- ‘CorrectedUniqueRecordId’ (CURID) which identifies the record being corrected and is made up of the USID from the original file (i.e. USID=1095C-16-00026029|11|35
- ‘TransmissionTypeCd’ set to ‘C’
- A new ‘UniqueSubmissionId’
- A new ‘SubmissionId’

**Replacement Files**

There are 2 types of Replacement Files- Replacement (submission) and Replacement (Transmission). Replacement (submission) File type is used when submissions within an original file which is Partially
Accepted are Rejected. Replacement (transmission) File type is used when an entire original file is Rejected.

**Replacement (submission) Files**
- Use TransmissionTypeCd = R
- Do not include OriginalReceiptID in the manifest
- Include the OriginalUniqueSubmissionID for each submission getting replaced in the transmission

**Replacement (transmission) Files**
- Use TransmissionTypeCd = R
- Include the OriginalReceiptID in the manifest
- OriginalUniqueSubmissionID in form file should be empty

**History**
The History tab displays batch reports for every file created.

**Export Type**
The options for Export Type include ‘ACA C Corr/Rep’ and ‘ACA B Corr/Rep.’

**1.1.1 Output**
Output is based on transmission status type:
• Accepted with Errors: one correction and a corresponding manifest file.

• Partially Accepted: one replacement file with one corresponding manifest file, potentially one correction file with one corresponding manifest file (if any submission in original file was ‘Accepted with Errors’)

• Rejected: one replacement file, one corresponding manifest file, and batch report of included companies.

Refresh
The Refresh option refreshes the screen display. For example, if a file was just created, the Generate Begin field will have a date / time but the Generate End field will be null until the file is completed. While on this screen, the Generate End field will not be populated until a Refresh is performed. The screen can also be refreshed by selecting a menu item.

Batch Details

<table>
<thead>
<tr>
<th>Generate Begin</th>
<th>9/12/2012 10:22:35 AM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generate End</td>
<td>9/19/2012 7:48:55 AM</td>
</tr>
</tbody>
</table>

Batch has been reset

Batch Reports
There are two to five batch reports for each file created. Output is based on transmission status type:

• Accepted with Errors: one manifest, one form (correction.)

• Partially Accepted: one manifest and one form (replacement) and potentially an additional manifest and form (correction.)

• Rejected: one manifest and one form (replacement.)

• Batch Report—will produce a batch report when there is an SSN that was unable to be located. This situation could be due to an invalid SSN that is now being excluded from the file or one that required a change.
  
  o If it is due to an SSN that was incorrect in the system a special process must be followed to regenerate the file correctly.

  o The special process includes inserting a tag into the acknowledgement file to allow the system to find the updated SSN for reporting.

  o Steps include:

    1. Find a TransmitterErrorDetailGrp that references that employee’s record.
Note: no dashes just the 9 digits of the SSN

If there are multiple TransmitterErrorDetailGrp that reference the employee’s 1095 (multiple things wrong with the 1095), you only need to do this to a single TransmitterErrorDetailGrp that references the employee’s record it doesn’t matter which one.

Manifest File: This is one of two files that are uploaded using the AIR UI Channel. Select the file, click on ‘Go’, the file opens in Notepad. The file can then be saved and uploaded.

Form File: This is the second of two files that are uploaded using the AIR UI Channel. Select the file, click on ‘Go’, the file opens in Notepad. The file can then be saved and uploaded.

Add Notes
This field is used to add a note to the batch. To add a note, enter text in the input box and click on ‘Save’. The note will then display in the Notes section. Multiple notes can be added.

Notes
This section displays the batch ID that was used to create the replacement/correction file.

Errors Details
If the file did not create due to errors, those errors are displayed on the ‘Errors’ tab. A message also displays on the History tab if a batch is in error. Contact your Support group to report and resolve any errors.

System Setup
Steps to Add an Aggregated ALE Group Members
1. Select +Add New under the ACA Reporting Groups tab.
2. Select Group Type of Aggregated ALE Group
3. Name the group.
4. For ALE Group members that do not exist in the system add them under the Additional Group Members tab by clicking Add New and entering the legal company name and FEIN.
5. If any other legal companies within the client code are ALE group members include them as selected companies.

**Steps to Add A Designated Governmental Entity (DGE)**

1. Select + Add New under the ACA Reporting Groups tab.
2. Select Group Type of Designated Governmental Entity.
3. Name the group.
4. If the DGE is filing on behalf of any other legal companies within the client code include them as selected companies.
5. Complete the required demographic information.
   - The Contact information is added under Client Management>Client Maintenance>Contacts

**Steps to complete ACA Report Options for 1094/1095 B and C printing**

1. Enter the Reporting Year for which the selections on this screen will apply.
2. Select your ACA Company Contact.
   - Per IRS instructions, this should be the person responsible for answering any questions related to the forms.
   - The Contact information is added under Client Management>Client Maintenance>Contacts
3. Select the forms your company will file for the reporting year-1094/1095 B forms or 1094/1095C forms.
   - This selection determines which forms are available in the “On Demand” report as well as the “Preview Forms” and “Submit Forms” on the ACA Year End Approve screen.
4. If any form 1094C line 22 Certifications of Eligibility apply indicate by checking the corresponding box.
5. Any reporting group established in the ACA Reporting Groups tab as an Aggregated ALE Group will display and can be designated for the applicable months of the reporting year.
6. Employee count method will default to Last day of the month but can be overridden to another method using the drop-down menu.

**Steps to add a Monthly Measurement Policy**

1. Select + Add New.
2. Name the Policy Group.
3. Check the Use Monthly Measurement Period box.
4. Assign a priority to the group, if applicable.
5. Save the new policy.
6. Using the Edit function on the Eligibility tab, assign employees to the policy through the use of eligibility rules.

**Steps to add a Look-Back Measurement Policy**
1. Select + Add New.
2. Name the Policy Group.
3. Assign a priority to the group, if applicable.
4. Set the Initial Measurement Period start date parameter from the following choices: First Day, First Day of the Month or First Day of the First Payroll Period.
5. Set the Initial Measurement Period parameter start date by indicating the number of days following the hire date for that measurement to begin.
6. Enter the number of months for the measurement period to last.
7. Set the Initial Stability Period start date parameter from the following choices: First Day, First Day of the Month or First Day of the First Payroll Period.
8. Set the Initial Stability Period parameter start date by indicating the number of days following the end of the Initial Measurement Period end date to begin the Stability Period.
9. Save the new policy.
10. Using the Edit function on the Eligibility tab, assign employees to the policy through the use of eligibility rules.
11. Ongoing Measurement Periods tab:
   a. Select the Start Date of the Standard Measurement Period.
   b. Select the Start Date of the Standard Administrative Period.
   c. Select the Start Date of the Standard Stability Period.
   d. Select the Stop Date of the Standard Stability Period.
   e. Repeat the steps above to add another cycle of dates.
Glossary of Acronyms

ACA-Affordable Care Act
ALE-applicable large employer
CDHP-consumer driven health plan also known as high deductible health plan
COBRA-Consolidated Omnibus Budget Reconciliation Act
DOL-United States Department of Labor
EBSA-Employee Benefits Security Administration.
EIN-federal Employer Identification Number
FPL-federal poverty level (also federal poverty line, federal poverty guideline, or federal poverty threshold)
FSA-flexible spending account
FTE-full-time equivalent (employee)
HCR-health care reform
HDHP-high deductible health plan also known as a consumer driven health plan
HHS-United States Department of Health and Human Services
HRA-health reimbursement arrangement
HSA-health savings account
IRC-Internal Revenue Code
IRS-Internal Revenue Service
LNAP-limited non-assessment period
MEC-minimum essential coverage
MLR-medical loss ratio
MV-minimum value coverage
PEO-professional employer organization
PPACA-The Patient Protection and Affordable Care Act also known as the ACA
QHP-qualified health plan
SSN-social security number
TIN-taxpayer identification number
TPA-third party administrator

Glossary of Terms

Affordable Care Act (ACA)- The Affordable Care Act actually refers to two separate pieces of legislation — the Patient Protection and Affordable Care Act (P.L. 111-148) and the Health Care and Education Reconciliation Act of 2010 (P.L. 111-152) — that, together expand Medicaid coverage to millions of low-
income Americans and makes numerous improvements to both Medicaid and the Children's Health Insurance Program (CHIP).

**Affordable Coverage**- under the ACA, employer-provided coverage is considered "affordable" if it meets one of the three IRS safe harbors for determining that the employee's contribution for self-only coverage doesn't exceed 9.5 percent of the employee's household income.

**Aggregated ALE Group**- A group of ALE members treated as a single employer under Code Section 414 (b), (c), (m), or (o). An ALE Member is a member of an Aggregated ALE group for a month if it is treated as single employer with the other members of the group on any day of the calendar month. Government entities and churches or conventions or associations of churches may apply a reasonable, good faith interpretation of the aggregation rules under Section 414 in determining their status as an ALE or member of an Aggregated ALE Group.

**Applicable Large Employer**- For a particular calendar year, an employer that employed an average of at least 50 full-time employees (including full-time equivalent employees) on business days during the preceding calendar year.

**Authoritative Transmittal**- designation on Form 1094-C that indicates if it is reporting aggregate employer-level data for the employer. There should be only one authoritative transmittal filed for each employer.

**Benefit Module**- iSolved benefit technology

**"B" forms**- Employers not subject to the employer shared responsibility provisions (non-ALEs) sponsoring self-insured group health plans use Form 1094-B (transmittal) and Form 1095-B (return) to report information about minimum essential coverage provided to individuals.

**"C" forms**- Employers subject to the employer shared responsibility provisions (ALEs) use Form 1094-C (transmittal) and Form 1095-C (return) to report the information required under sections 6055 and 6056 about offers of health coverage and enrollment in health coverage for their employees as well as summary information for the employer.

**Carrier**- any insurer, managed care organization, or group hospital plan, as defined by applicable state law.

**Controlled Groups**- There are three types of controlled groups that are considered one employer for the purposes of the ACA employer mandate. The IRS defines, and provides example of, these three controlled groups in IRS Code § 414 (b) and 414 (c). An overview of these examples follows.

1. Parent-Subsidy Group: When one or more businesses are connected through stock ownership with a common parent corporation (such as a chain); and
   - 80% of the stock of each corporation (except the common parent) is owned by one or more corporations in the group, and
   - Parent Corporation must own 80% of at least one other corporation.

2. Brother-Sister Group: A group of two or more corporations, where five or fewer common owners own directly or indirectly a "controlling interest" of each group and have “effective control”. A common owner must be an individual, a trust, or an estate.
   - Controlling interest: Generally means 80% or more of the stock of each corporation (but only if such common owner own stock in each corporation); and
- **Effective control**: Generally more than 50% of the stock of each corporation, but only to the extent such stock ownership is identical with respect to such corporation.

3. **Combined Group**: A group consisting of three or more organizations that are organized as follows:
   - Each organization is a member of either a parent-subsidiary or brother-sister group, and
   - At least one corporation is the common parent of a parent-subsidiary, and is also a member of a brother-sister group

*An ERISA attorney is the recommended source for determining if a group of employers should be considered a control group for ACA purposes.*

**Dependent** - Dependent status under the ACA is based on the relationship between a child and a participant. Specifically, a dependent is an individual who is the son, daughter, stepson or stepdaughter of the employee. The definition also includes both a legally adopted child of the employee and a child who is lawfully placed with the employee for legal adoption by the employee. It also includes an eligible foster child, defined as an individual who is placed with the employee by an authorized placement agency or by judgment, decree or other order of any court of competent jurisdiction.

**Designated Governmental Agency (DGE)** - A person or persons that are par to fa or related to the governmental unit that is the ALE and that is appropriately designated for purposes of Section 6056 Reporting requirements.

**Employer “Play or Pay” Mandate** - Large employers (those with more than 50 full-time employees) have the choice to offer coverage to their full-time employees and their dependents or to make a shared responsibility payment to the government on behalf of each full-time worker. This is commonly referred to as the “Play or Pay” mandate.

**Employer Sponsored Health Insurance** - A health benefit plan that an employer offers on a group basis for the benefit of its employees.

**Essential Health Benefits** - Benefits which include items and services in the following ten benefit categories: (1) ambulatory patient services; (2) emergency services; (3) hospitalization; (4) maternity and newborn care; (5) mental health and substance use disorder services including behavioral health treatment; (6) prescription drugs; (7) rehabilitative and habilitative services and devices; (8) laboratory services; (9) preventive and wellness services and chronic disease management; and (10) pediatric services, including oral and vision care.

**Exchange (also known as “Marketplace”)** - Health insurance marketplaces, also called health exchanges, are organizations set up to facilitate the purchase of health insurance in each state in accordance with the ACA.

**Excise or “Cadillac” tax** - Health insurance issuers and sponsors of self-funded group health plans will be assessed an excise tax on any benefits provided to employees that exceed a pre-determined threshold. The excise or “Cadillac” tax is imposed beginning in 2018.

**Exemption** - The state of being free from an obligation or liability imposed on others. Available exemptions under the ACA include:

Income-related exemptions
• The lowest-priced coverage available to you, through either a Marketplace or job-based plan, would cost more than 8.05% of your household income
• You don’t have to file a tax return because your income is below the level that requires you to file

Health coverage-related exemptions
• You were uninsured for no more than 2 consecutive months of the year
• You lived in a state that didn’t expand its Medicaid program but you would have qualified if it had

Group membership exemptions
• You’re a member of a federally recognized tribe or eligible for services through an Indian Health Services provider
• You’re a member of a recognized health care sharing ministry
• You’re a member of a recognized religious sect with religious objections to insurance, including Social Security and Medicare

Other exemptions
• You’re incarcerated (serving a term in prison or jail)
• You’re a U.S. citizen living abroad, a certain type of non-citizen, or not lawfully present (learn more about the definition of “lawfully present”)
• You experienced one of the hardships below

Hardships that qualify you for exemptions include:
1. You were homeless
2. You were evicted in the past 6 months or were facing eviction or foreclosure
3. You received a shut-off notice from a utility company
4. You recently experienced domestic violence
5. You recently experienced the death of a close family member
6. You experienced a fire, flood, or other natural or human-caused disaster that caused substantial damage to your property
7. You filed for bankruptcy in the last 6 months
8. You had medical expenses you couldn’t pay in the last 24 months that resulted in substantial debt
9. You experienced unexpected increases in necessary expenses due to caring for an ill, disabled, or aging family member
10. As a result of an eligibility appeals decision, you’re eligible for enrollment in a qualified health plan (QHP) through the Marketplace, lower costs on your monthly premiums, or cost-sharing reductions for a time period when you weren’t enrolled in a QHP through the Marketplace
11. You were determined ineligible for Medicaid because your state didn’t expand eligibility for Medicaid under the Affordable Care Act
12. Your individual insurance plan was cancelled and you believe other Marketplace plans are unaffordable
13. If you experienced another hardship obtaining health insurance, use this form to apply for an exemption with the Marketplace (PDF)

**Federal Poverty Level** - A measure of income level issued annually by the Department of Health and Human Services. Federal poverty levels are used to determine your eligibility for certain programs and benefits.

**Federal Poverty Line Safe Harbor** - One of three safe harbors available to employers to determine affordability under the ACA. The federal poverty line safe harbor is satisfied by an employer for a calendar month if the employee’s required contribution for the calendar month for the lowest cost self-only coverage that provides minimum value does not exceed 9.5% of a monthly amount determined as the federal poverty line for a single individual for the applicable calendar year, divided by 12. Employers may use the poverty guidelines in effect within six months prior to the first day of the employer’s plan year. In 2014, the federal poverty line for a single individual is $11,670. Accordingly, using 2014 rates, the monthly premium under this safe harbor could not exceed $92.39 in 2015 ($11,670/12 x 9.5% = $92.39).

**Full-time Employee** - An employee who, for a calendar month, is employed an average of at least 30 hours of service per week with the employer. For this purpose, 130 hours of service in a calendar month is treated as the monthly equivalent of at least 30 hours per week.

**Full-time Equivalent Employee** - The ratio of the total number of paid hours during a period (part time, full time, contracted) by the number of working hours in that period. The ratio units are FTE units or equivalent employees working full-time. In other words, one FTE is equivalent to one employee working full-time.

**Hours of Service** - Generally, an hour of service means each hour for which an employee is paid, or entitled to payment, for the performance of duties for the employer, and each hour for which an employee is paid, or entitled to payment, for a period of time during which no duties are performed due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence.

Under the final regulations, an hour of service does not include any hour of service performed as a bona fide volunteer, as part of a Federal Work-Study Program (or a substantially similar program of a State or political subdivision thereof) or to the extent the compensation for services performed constitutes income from sources without the United States.

**Individual Mandate** - The ACA requires most individuals to have health insurance coverage equal to minimum essential coverage or potentially to pay a penalty for noncompliance.

**Limited Non-assessment Period (LNAP)** - A period during which an ALE will not be subject to a penalty under Section 4980H(a) and in certain cases Section 4980H(b), for a full-time employee, regardless of whether that employee is offered health coverage during that period. LNAPs include the following:

- First Year as ALE Period - January through March of the first calendar year in which an employer is an ALE, but only for an employee who was not offered health coverage by the employer at any point during the prior calendar year. For this purpose, 2015 is not the first year an employer is an ALE, if that employer was an ALE in 2014 (notwithstanding that transition relief provides that no penalties under Section 4980H will apply for 2014 for any employer).

- Waiting Period under the Monthly Measurement Method - If an employer is using the monthly measurement method to determine whether an employee is a full-time employee, the period beginning with the first full calendar month in which the employee is first otherwise (but for completion of the
waiting period) eligible for an offer of health coverage and ending no later than two full calendar months after the end of that first calendar month.

Waiting Period under the Look-Back Measurement Method. If an employer is using the look-back measurement method to determine whether an employee is a full-time employee and the employee is reasonably expected to be full-time at his or her start date, the period beginning on the employee’s start date and ending not later than the end of the employee’s third full calendar month of employment.

Initial Measurement Period and Associated Administrative Period under the Look-Back Measurement Method. If an employer is using the look-back measurement method to determine whether a new employee is a full-time employee, and the employee is a variable hour, seasonal or part-time employee, the initial measurement period for that employee and the administrative period immediately following the end of that initial measurement period.

Period Following Change in Status that Occurs During Initial Measurement Period under the Look-Back Measurement Method. If an employer is using the look-back measurement method to determine whether a new employee is a full-time employee and, as of the employee’s start date, the employee is a variable hour, seasonal or part-time employee, but, during the initial measurement period, the employee has a change in employment status such that, if the employee had begun employment in the new position or status, the employee would have reasonably been expected to be a full-time employee, the period beginning on the date of the employee’s change in employment status and ending not later than the end of the third full calendar month following the change in employment status. If the employee is a full-time employee based on the initial measurement period and the associated stability period starts sooner than the end of the third full calendar month following the change in employment status, this Limited Non-Assessment Period ends on the day before the first day of that associated stability period.

First Calendar Month of Employment. If the employee’s first day of employment is a day other than the first day of the calendar month, then the employee’s first calendar month of employment is a Limited Non-Assessment Period.

Minimum Essential Coverage- Although various types of health coverage may qualify as minimum essential coverage, for purposes of Section 6056 reporting, minimum essential coverage refers to health coverage under an eligible employer-sponsored plan.

Minimum Value- A plan provides minimum value if the plan pays at least 60 percent of the costs of benefits for a standard population.

New Employees-used in the iSolved ACA Full-time Look Back Report to designate employees who have not been employed for one full measurement period.

Offer of Health Coverage-An offer to an employee providing the employee an effective opportunity to enroll in the health coverage (or to decline that coverage) at least once for each plan year. An employer makes an offer of health coverage to an employee for the plan year if it continues the employee’s election of coverage from a prior year but provides the employee an effective opportunity to opt out of the health coverage. If an employer provides health coverage to an employee but does not provide the employee an effective opportunity to decline the coverage, the employer is treated as having made an offer of health coverage to the employee only if that health coverage provides minimum value and does not require an employee contribution for the coverage for any calendar month of more than 9.5 percent of the mainland federal poverty line for a single individual.

For purposes of reporting, an offer to a spouse includes an offer to a spouse that is subject to a reasonable, objective condition, regardless of whether the spouse meets the reasonable, objective
condition. For example, an offer of coverage that is available to a spouse only if the spouse certifies that he or she does not have access to health coverage from another employer is treated as an offer of coverage to the spouse for reporting purposes. Note that this treatment is for reporting purposes only, and generally will not affect the spouse’s eligibility for the premium tax credit if the spouse did not meet the condition and therefore did not have an actual offer of coverage.

An employer offers health coverage for a month only if coverage would be effective for every day of that calendar month. For reporting purposes, this means that an offer of coverage does not occur for a month if an employee’s employment terminates before the last day of a calendar month and the health coverage also ends before the last day of that calendar month (or for an employee who didn’t enroll in coverage, the coverage would have ended if the employee had enrolled in coverage). However, see the description of Code Series 2—Section 4980H Safe Harbor Codes and Other Relief for Employers, Code 2B, which may be applicable in these circumstances to indicate that the employer is treated as having offered coverage for the entire month for purposes of Section 4980H.

An employer offers health coverage to an employee if coverage is offered on behalf of the employer by:

- The employer itself;
- Another employer in the Aggregated ALE Group;
- A third party, such as a multiemployer or single employer Taft-Hartley plan, a multiple employer welfare arrangement (MEWA), or, in certain cases, a staffing firm.

Interim Guidance Regarding Multiemployer Arrangements. An employer is treated as offering health coverage to an employee if the employer is required by a collective bargaining agreement (or related participation agreement) to make contributions for that employee to a multiemployer plan that offers self-only health coverage that is affordable and provides minimum value, and that also offers health coverage to those individuals' dependents or is eligible for the Section 4980H transition relief regarding offers of coverage to dependents.

**Ongoing Employees**—used in the iSolved ACA Full-time Look Back Report to designate employees who have been employed for one full measurement period.

**Rate of Pay Safe Harbor**—One of three safe harbors available to employers to determine affordability under the ACA. Under the “rate of pay” safe harbor, an employer may take the hourly rate of pay for each hourly employee who is eligible to participate in the health plan as of the beginning of the plan year and multiply this rate by 130 hours per month. The employee’s monthly contribution amount is affordable if it is equal to or lower than 9.5% of the computed monthly wages (applicable hourly pay rate multiplied by 130). For salaried employees, monthly salary is used instead of hourly salary multiplied by 130.

**Section 6055 Reporting**—The Affordable Care Act added section 6055 to the Internal Revenue Code, which provides that every provider of minimum essential coverage will report coverage information by filing an information return with the IRS and furnishing a statement to individuals. The information is used by the IRS to administer – and individuals to show compliance with – the individual shared responsibility provision in section 5000A.

**Section 6056 Reporting**—The Affordable Care Act added section 6056 to the Internal Revenue Code, which requires applicable large employers to file information returns with the IRS and provide statements to their full-time employees about the health insurance coverage the employer offered.

**Self-insured**—A self-insured group health plan (or a 'self-funded' plan as it is also called) is one in which the employer assumes the financial risk for providing health care benefits to its employees. In practical
terms, self-insured employers pay for each out of pocket claim as they are incurred instead of paying a fixed premium to an insurance carrier, which is known as a fully-insured plan.

**Shared Responsibility Provision/Payment**- Under the Affordable Care Act’s employer shared responsibility provisions, certain employers (called applicable large employers or ALEs) must either offer minimum essential coverage that is “affordable” and that provides “minimum value” to their full-time employees (and their dependents), or potentially make an employer shared responsibility payment to the IRS.

**Subsidy/Premium Tax credit**- There are two types of subsidies available to marketplace enrollees. The first type of assistance, called the premium tax credit, works to reduce enrollees’ monthly payments for insurance coverage. The second type of financial assistance, the cost-sharing subsidy, is designed to minimize enrollees’ out-of-pocket costs when they go to the doctor or have a hospital stay. In order to receive either type of financial assistance, qualifying individuals and families must enroll in a plan offered through a health insurance Marketplace.

**TRICARE**- Formerly known as the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS), it is a health care program of the United States Department of Defense Military Health System. Individuals with TRICARE or other VA coverage can be excluded from the applicable large employer count to determine large employer status.

**VA Health Benefits and Services**-provides veterans who served in active military service and separated under any condition other than dishonorable, government sponsored health benefits and care. Individuals with TRICARE or other VA coverage can be excluded from the applicable large employer count to determine large employer status.

**Variable Hour employee**- an employee is a variable hour employee if, based on the facts and circumstances at the start date, it cannot be determined that the employee is reasonably expected to work on average at least 30 hours per week.

**W-2 Wages Safe Harbor**- One of three safe harbors available to employers to determine affordability under the ACA. Under the Form W-2 safe harbor, an employer may determine affordability by reference to an employee’s wages for the current calendar year. Wages for this purpose would be the total amount of wages required to be reported in Box 1 of Form W-2, Wage and Tax Statement. Under this safe harbor, an employer will not be subject to a penalty with respect to a particular employee if (1) it offers full-time employees and their dependents the opportunity to enroll in coverage, and (2) the required employee contribution toward the self-only premium for coverage does not exceed 9.5% of the employee’s Form W-2 wages for the calendar year. For an employee who was not a full-time employee for the entire calendar year, the employee’s Form W-2 wages are adjusted to reflect the period when the employee was offered coverage. These adjusted wages are then compared to the employee share of the premium during that period.