

ACA: 2022 Year End

# Important Dates for 1095-C form Delivery

- December is when you can begin the ACA Data Review
- 1/1 create & populate 1095-C forms for review (Earliest)
- 1/31 Original Deadline Provide 1095-C forms to employees
- **3/2 forms must be postmarked or delivered to employees**
- **2/28 paper filing deadline with IRS**
- **3/31 electronic Filing with the IRS (we will be doing E-file)**

# Affordability

Calendar Year	Federal Poverty Line (FPL)	Afordability Percentage	Maximum Monthly Contribution
2023	\$13,590	9.12%	103.28
2022	\$12,880	9.61%	103.15
2021	\$12,760	9.83%	104.53

- Federal poverty level
- Rate Of Pay - based on 30 hours a week
- W-2 - based on box 1 of W-2 (not a good strategy)

# Employee Setup

MY TEAM

Feedback

ACA



My Team/Employee Information/Employee Profile

## ACA Timeline Overview

Manage Employee's ACA Timeline

Date Range: 05/01/2020 -  
11/01/2020

Last Calculated:  
11/06/2020 03:46 am

ACA Profile

Full-time Hours

Effective Date

01/01/2012

## ACA Profile

ACA Profile

Effective Date \*

Full-time Hours



01/01/2012



+ Add

## **ACA Profile** (Assigned on the ACA tab of the Employee Information Screen)

- Full Time / Non-Variable / Salary – expecting an offer of medical coverage after waiting period
- Variable / Hourly – measurement period to determine 130hr per month avg.
- Non Employee – will not be counted as an employee on the 1094-C
- Union &/or International may also exist.

**AN ACA PROFILE SHOULD BE ASSIGNED TO EVERY PERSON ENTERED INTO THE SYSTEM**

# Employee Setup

## Benefit

Benefit

Effective Date \*

+ Add



**Benefit Profile** Assigned to everyone who is eligible for Medical Benefits.

- Assigned to all employees offered benefits.
- **The date should be the date the coverage would become effective even if waived, *this can be skipped for new hires due to new ACA settings.***
- Blank Benefit Profile or a Benefit Profile called “Not Eligible” with no plans inside of it means no offer of benefits to that employee..

# Managing Employee Changes New Hires

Add ACA Profile: Employee Information > ACA Tab

## ACA Profile

ACA Profile

Full-time Hours 

Effective Date \*

01/01/2012 

+ Add

Add a Benefit Profile: Employee Information > Main Tab > Profiles

## Benefit

Benefit

Choose... **1** 

Effective Date \*

12/31/1900 



Benefit

Standard Benefits **2** 

Effective Date \*

11/01/2020 **3** 



+ Add

Add Benefit Plans: Employee Information > Benefit Plans Section

	Benefit Plan Name	Coverage Name
<input type="radio"/>	medical - High Deductible HSA	Waived
<input type="radio"/>	medical - High Deductible HSA	Employee Only
<input type="radio"/>	medical - High Deductible HSA	Employee + Spouse
<input type="radio"/>	medical - High Deductible HSA	Employee + Child(ren)
<input type="radio"/>	medical - High	Family

# Managing Employee Changes

## Terminations

### Employee Benefit Plan

Benefit Plan Effective From

01/01/2016

Benefit Plan Effective To

12/31/9999

Deduction #1 Effective From \*

01/01/2016



Deduction #1 Effective To

12/31/9999



Coverage Effective From \*

01/01/2016



Coverage Effective To

07/31/2020



- Terminate Employee
- End Benefit Elections (Coverage Date)

# Managing Employee Changes

## Terminations

BACK Home > Company Settings > Profiles/Policies > Benefits > Plans

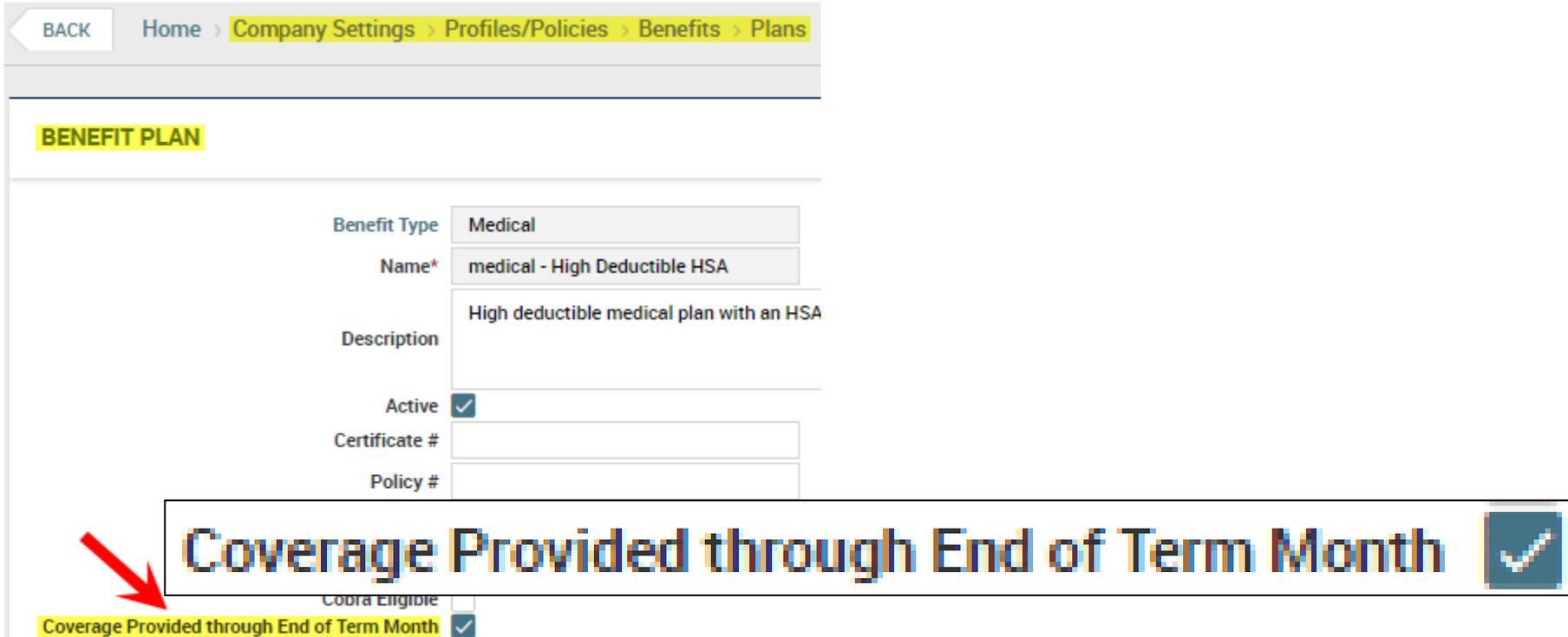
**BENEFIT PLAN**

Benefit Type	Medical
Name*	medical - High Deductible HSA
Description	High deductible medical plan with an HSA
Active	<input checked="" type="checkbox"/>
Certificate #	
Policy #	

**Coverage Provided through End of Term Month**

Cobra Eligible

Coverage Provided through End of Term Month



If you have HR this setting can help with end dating coverage for terminated employees. Checked means the end of the month, unchecked will assume date of termination. Should reduce 12/31/9999 dates that are accidentally left active.

# Managing Employee Changes

## Re-hires

- Identify all re-hires for 2022.
- Make Sure that the benefit profiles are properly dated. Showing when they would had been active or not for medical coverage.
- Review the ACA Timeline or 1095-C forms creating any manual edits that are needed

# Managing Employee Changes

## FT → PT Changes

Remember that an employee's employment status — the label (Employee Type) an employer uses to distinguish between different classes of employees, often based on their expected work schedule — is not the same as an employee's ACA status. For example, you may change an employee's Employee Type from full-time to part-time in June, but the employee may continue to be considered ACA full-time for the rest of the year.

[ACA Profile](#)

Full-time Hours

Effective Date

01/01/2012

Form/Status	MAY 2020	JUN 2020	JUL 2020	AUG 2020	SEP 2020	OCT 2020	NOV 2020
ACA Rule Processing	Info						
Line 14 Codes (Series 1)	1E						
Line 15 (Employee Only Lowest Cost)	120	120	120	120	120	120	120
Line 16 Codes (Series 2)	2C						
Hours	-	-	-	-	-	-	-
Month Status	-	-	-	-	-	-	-
ACA Status	FT						

**Employees with an ACA Status of FT for any Month will Generate a 1095-C Form**

# Employee Setup

**My Info > My Reports > My Saved Reports**

(Turn on Other's Settings)

Others' Settings



▼ (1)



Saved As Name = **ACA Setup Review**

**Full Time Hourly or Salaried  
Employees (including  
Terminations)**

MUST have BOTH a Benefit Profile  
and ACA Profile.

Even if they waived coverage.

**Part Time/Variable Employees  
(including Terminations)**

MUST have an ACA Profile.

**IF** you offer Benefits to Part Time  
Employees or they met the hours  
they should also have the proper  
Benefit Profile.

**Non Employees/1099/International/User only/Test/Not in Payroll/Temp-Agency**

MUST have an ACA Profile marking them as Non Employees or International

**An Employee Must Have An ACA Profile To Have A 1095-C Form Created**

# Compliance Alerts

## Team > HR > ACA > ACA Data Summary

1 of 1 | 12 Rows | [System] | Dates: This Year | (1)

Month	Affordable Plan Offered	Minimum Value Plan Offered	Compliance Alert	Approaching ACA FT
December	55	55	2	0
November	54	54	2	0
October	54	54	2	0
September	54	54	2	0
August	54	54	2	0
July	55	55	0	0

### Some Reasons for Compliance Alerts

- Employee is ACA Full Time Status but does not have a Benefit Profile assigned to them
- The plan is not considered affordable by ACA guidelines
- The employee is ACA full-time for the current stability period, but benefits were terminated.
- Employee was not offered Benefits and is considered Full Time by ACA guidelines (Averaged 130hrs per month)
- New benefit plans were not added to the Benefit Profile.
- Base Compensation does not reflect the full Calendar year.

# After Corrections

## Recalculate Each Employee

← ACA Timeline

SAVE

RECALCULATE

DB Don Brown (3)

Date Range: 05/01/2020 - 11/01/2020

Last Calculated: 11/06/2020 03:46 am

JUMP TO

ACA Profile

Form 1095-C

Status

Measurement

Alerts



August 2020 Compliance Alert: Employee has not been offered Minimum Value plan.

September 2020 Compliance Alert: Employee has not been offered Minimum Value plan.

October 2020 Compliance Alert: Employee has not been offered Minimum Value plan.

Show more (1)

### ACA Profile

ACA Profile

Effective Date \*

Full-time Hours



01/01/2012



# After Corrections Recalculate All Employees

Team > HR > ACA > Employee ACA Actions

← Employee ACA Actions

2

RECALCULATE

CLEAR

...

1 of 2 103 Rows Default new

Y(0) [grid icon] ...

		Employee Id	Badge	Username	First Name	Last Name	In Payroll	
	Select On Page (100)		=	=	starts with	starts with	All	↺
	Select All (103)							✕
<input type="checkbox"/>		1		JBIRD	John	Bird	Yes	
<input type="checkbox"/>		2		wjordan	William	Jordan	Yes	
<input type="checkbox"/>		3		Dbrown	Don	Brown	Yes	
<input type="checkbox"/>		4		004	Cindy	Jackson	Yes	
<input type="checkbox"/>		5		005	Jessica	Johnson	No	
<input type="checkbox"/>		6		006	Sarah	Edwards	Yes	
<input type="checkbox"/>		7		007	Ron	Lankford	Yes	

**THIS CAN TAKE A WHILE TO COMPLETE**

# ACA Form Contact Information

- Company contact information Should be Updated if needed.
- **Admin > Company Settings > Global Setup > Company Setup > ACA Tab**
  - If the ACA tab is not visible, please contact your Account Manager.

Global Setup > Company Setup

← Company Setup

Company Info

Company Config

Login Config

Global Policies

Defaults

Payroll

HR

ACA

Edit Tabs

## ACA Settings

Default ACA Profile



01/01/2012



Company Qualifies for Qualifying Offer Transition Relief for 2015

No



ACA Form Contact Name

Matt Rose

ACA Form Contact Phone

3145619891

Enable COBRA reporting for self-insured health plan

# Self-Insured Plans

- All dependents must be in the system with Social Security #s and Date of Births. These dependents must also be assigned to the benefit coverage.
- If you had a self-insured health plan during any part of 2022 verify that your plan is marked correctly with a check for being self-insured or a no check for not being self-insured. This is located within the plan's details, in the Benefit Plan section.

## BENEFIT PLAN

Benefit Type	Medical
Name*	Medical Buy Up
Description	Buy Up Medical Coverage that is FSA Eligible
Active	<input checked="" type="checkbox"/>
Certificate #	
Policy #	
Effective From*	01/01/2016 To 12/31/9999
Eligibility Filter	All Accounts 
Cobra Eligible	<input type="checkbox"/>
Coverage Provided through End of Term Month	<input type="checkbox"/>
<b>Plan is Self-insured</b>	<input checked="" type="checkbox"/>
Vendor	

# 1095-C Creation

Creating your 1095-C forms is easy. The system will assist in detecting who should and who should not get a 1095-C form. **Team> HR> ACA> Forms> Employee Forms 1095-C**, Select the year 2022 and select “MASS ADD NEW”

The screenshot shows a software interface for creating 1095-C forms. At the top, there are four buttons: 'ADD NEW', 'MASS ADD NEW', 'VIEW SELECTED', and 'POPULATE'. Below these buttons is a 'Selected Year: 2021' dropdown menu. To the right, a dialog box titled 'Mass Add New 1095-C Form(s)' is open, showing two radio button options: 'Mass Add For Selected Year' (which is selected) and 'Employee Lookup'. At the bottom right of the dialog box are 'CANCEL' and 'OK' buttons.

Leave the default selection to be “Mass Add For Selected Year” this will create unpopulated 1095-C forms based on the following criteria:

- Showing an ACA Status of FT for any month of the Selected Year.
- Showing an ACA Status of PT for any month of the Selected Year **AND** the employee is enrolled in any Self-Insured Medical Benefit Plan with the Effective Dates within the Selected Year. (excluding Waived records)

# 1095-C Population

- **Team> Benefits> ACA> Forms> Employee Forms 1095-C**, Select the year 2022 ,Click the select all, Click on the "...", and select "MASS POPULATE".
- Populating the forms will pull the information from the Employees ACA TimeLine that has been collected at the end of each month and populate their 1095-C form.
- This data is viewable on the employee's ACA Timeline at anytime.



**You will not want to create or populate the 1095-C forms until the 2022 calendar has ended, January 1<sup>st</sup> at the earliest.**

# COBRA

## **Fully Funded:**

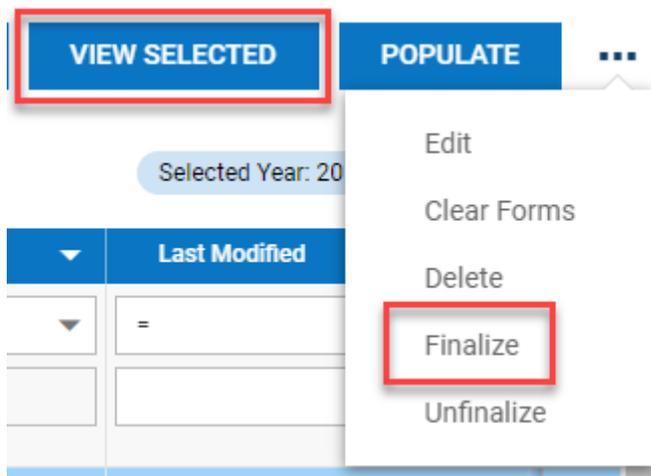
- You must report the offer of COBRA Coverage, with the COBRA Rate in line 15, for those that are still under your Employment. (Coverage dropped due to moving to part-time or a reduction in hours)

## **Self-Funded**

- You must report the offer of COBRA Coverage, with the COBRA Rate in line 15, for those that are still under your Employment.
- Those who were on COBRA Coverage due to termination, Including dependents.
- Those who were on COBRA but were not employed by you in 2022, including dependents. These forms will need to be manually created.

# 1095-C Review & Finalize

- **Team> Benefits> ACA> Forms> Employee Forms 1095-C**, change the selected year to 2022 this will display all 1095-C forms that have been created.
- The two tools that you will use most will be the Mass View and Mass Finalize



**View Selected** - To go one by one through the forms, you can click on the SELECT ALL and then click on MASS VIEW. From here you can go through each form individually and finalize. The form is completely editable until you hit the Finalize Form Button.

**Finalize** – If you have your 1095-C list reviewed and verified the forms are accurate, you can MASS FINALIZE by selecting those you wish and clicking MASS FINALIZE.

The form is completely editable unless it is Finalized.  
There is an UNFINALIZE if you make a mistake.

# 1094-C Creation

- The 1094-C will be created prior to the filing process. To make sure all exclusions and inclusions of forms are properly accounted for up until the minute before we do not recommend creating your 1094 until your forms have been completed and as close to filing as possible.
- If you have multiple entities that make one ALE group, we will need the Federal EIN number and the exact company name that goes with That EIN Number. This can be provided to your account Representative via an email Ticket

# Filing Your Forms

- Our goal is to have everything filed a week before the 03/31 deadline.
- 3/31 All forms must be Filed
- Finalized forms may be electronically filed by Inova any time after 01/31/2022

# Individual State Requirements

- Inova will file all forms with the IRS
- Inova will **NOT** file forms with individual States unless previously arranged.
  - California
  - Massachusetts
  - New Jersey
  - Rhode Island
  - District of Columbia

We will support you in the filing of your state forms if it is required of you. Most of these states only require the employer to file if you are using any form of a self-funded plan. For fully funded plans the insurance carrier is typically filing this information. **PLEASE CHECK ON YOUR STATE REQUIREMENTS** if you are working in any of the above states. Verify with your carrier that they are fulfilling the requirement for you.

# Questions....



Please e-mail your questions to [advancedHCM@inovapayroll.com](mailto:advancedHCM@inovapayroll.com) and we will do our best to answer them as timely as possible.