



ACA Technology



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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

The screenshot shows a web-based form titled "Employment Category". At the top, there is a navigation bar with icons for "Add New", "Edit", "Delete", "Refresh", "Save", and "Cancel". The form fields are as follows:

- * Code:
- * Description:
- Exclude From EEO Reports
- Exclude From VETS-100
- Seasonal Employee
- * ACA Employment Status:
 - ACA Full Time
 - ACA Variable
 - ACA Exempt
 - ACA Variable Adjunct
 - ACA Variable Seasonal
 - ACA Part Time

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 = **ACAHR**S, 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

ACA Large Employer Compliance Test

Enables employer to determine if it is an Applicable Large Employer under the ACA for purposes of whether the Employer Shared Responsibility rules (e.g., Play or Pay) apply.

Filtering

From Date:

To Date:

PayGroups:

- ACA Mgmt, LLC
- Widget Makers, LLC

Grouping

Grouping Option:

Options

Include Hours Detail Page:

Exclude ACA Full Time:

Format:

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**

- Excludes any employee with an ACA status of ACA Full Time from the hours detail.
- **Format**
 - PDF

ACA Large Employer Compliance Results

Client ID: aev2015	ACA LARGE EMPLOYER COMPLIANCE TEST	From Date: 1/1/2014
Client: ACA Mgmt	ACA Mgmt, LLC	To Date: 12/31/2014
Report Generated on: 5/27/2015 11:54:09 AM		

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

Report Total	Jan 2014	Feb 2014	Mar 2014	Apr 2014	May 2014	Jun 2014	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Dec 2014
Full Time Employee Count	99	101	105	105	106	109	109	110	111	112	113	114
Total Hours for FTE Calculation	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00
FTE Count	2	2	2	2	2	2	2	2	2	2	2	2
Total FTE Count	101	103	107	107	108	111	111	112	113	114	115	116

For Applicable Large Employer determination your FTE employee count is:

109

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

The following data is included in this report:

- **Full Time Employee Count**
 - Monthly count of all active employees with ACA Employment Status = ACA Full Time
- **Total Hours for FTE Calculation (all NON ACA Full Time employees)**
 - All Employees with ACA Employment Status not equal to ACA Full Time or ACA Exempt
 - Total Hours Paid per employee up to 120.00 hours.
 - 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**
 - The total hours for all NON Full Time employees is divided by 120 to arrive at the number FTE's for each month.
 - Total Hours FTE Calculation/120.00 hours (30 hours * 4 weeks a month)
- **Total FTE Count**
 - 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 per the IRS.
- If the count for a given month is 12.89 it is counted as 12. This is also true for the final calculation of average FTE used in 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 Full-time Lookback Report

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 Full Time Look Back Report Options

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

ACA Full Time Look-Back Report

Enables employer to manage full-time status of workforce in accordance with the ACA's standard of 30 hours per week. This impacts the ACA rules on waiting periods, eligibility for minimum essential coverage and Assessable Payments (i.e., Pay or Pay penalty).

Filtering

OnGoing Employee From Date:

OnGoing Employee To Date:

PayGroups:

- ACA Mgmt, LLC
- Widget Makers, LLC

Report Option:

New Hire Measurement Prd:

New Hire Start Date Option:

Union Employee Option:

Employee Type Option:

Include OnGoing Employees:

Include New Hires:

Include Only Status Changes:

Exclude ACA Full Time:

Aggregate EE data:

Sort Option:

Organization Level:

- Division
- Department
- Location

Work Location:

- Work Locations

Date Type:

Grouping

Group by Legal Company:

Options

Format:

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.
- **New Hire Measurement period**

- A value between 3 to 12 months.
- The New Hire measurement period is used to determine if the new hire qualifies to be full time within the selected look back period.
- **New Hire Start Date Option**
 - Hire Date
 - First day of month following hire date
- **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 OnGoing Employees**
 - Allows the user to include or exclude the Ongoing employees.
 - Defaults to include Ongoing Employees.
- **Include New Hires**
 - Allows the user to include or exclude any New Hires or employees who have not been employed for one full standard measurement period.
 - Defaults to include the New Hires.
- **Include Only Status Changes**
 - Suppresses all employees whose look back period status matches their current employment category ACA status.
 - Only employees with alerts in the Change Requested column will display on the report.
- **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.
 - 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.
 - 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.)
- **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 Full Time Look-Back Report Results

The report is separated in two sections, to evaluate new hires and ongoing employees.

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.

New Employees

An employee hired within the look back period is considered a new employee. Employees hired after the look back period are not included in the report.

Client ID: aevMP	ACA FULL TIME LOOK-BACK REPORT FOR APPLICABLE LARGE EMPLOYERS	From Date: 1/1/2015
Client: Measurements, INC		To Date: 8/31/2015
Companies: Measurements, INC , Rulers , Compass		
Report Generated on: 9/3/2015 9:08:09 PM		

Ongoing Employees

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

Employee Name	Emp ID	Legal Company	Work State	Pay Type	Hire Date	ACA Status				Results
						Current ACA Status	Average Hours	Total Hours	Look-Back Period Status	
Yadziri Giles	24	Measurements, INC	NC	Salary	12/31/2012	Full Time	191.25	1,530.00	Full Time	
Natalie Gamble	39	Measurements, INC	SC	Salary	3/1/2014	Full Time	190.00	1,520.00	Full Time	
Monica Carlson	13	Measurements, INC	NC	Hourly	1/15/2012	Full Time	185.00	1,480.00	Full Time	
Sandy Beach	50	Measurements, INC	NC	Hourly	1/1/2014	Variable	116.17	1,560.00	Full Time	*EE data aggregated
Sandy Beach	3	Compass	NC	Hourly	9/12/2009	Variable	116.17	1,560.00	Full Time	*EE data aggregated
Trey Guyer	45	Measurements, INC	SC	Salary	7/7/2014	Full Time	111.67	893.34	Full Time	
George Berry	32	Measurements, INC	NC	Auto Hourly	8/14/2013	Full Time	105.00	840.00	Full Time	
Addie Bridges	26	Measurements, INC	NC	Hourly	2/18/2013	Variable	78.13	625.00	Full Time	Yes, Offer Health Benefits
Bert Jones	2	Measurements, INC	SC	Hourly	2/5/2011	Variable	37.14	520.00	Full Time	*EE data aggregated
Bert Jones	3	Rulers	NC	Hourly	8/17/2014	Variable	37.14	520.00	Full Time	*EE data aggregated
Carol Warner	3	Measurements, INC	SC	Hourly	3/10/2011	Variable	4.38	35.00	Part Time	Not Eligible at this Time
Paul Ernest	16	Measurements, INC	NC	Salary	4/1/2012	Variable	3.75	30.00	Part Time	Not Eligible at this Time
Hank Wilson	8	Measurements, INC	NC	Hourly	8/4/2011	Full Time	3.75	30.00	Part Time	Based on hours, verify ACA status

Full-Time ACA: Employed an average of at least 30 hours of service per week or the equivalent of 130 hours of service in a calendar month if applicable large employer applies this equivalency rule on a reasonable and consistent basis. An hour of service includes hours where the employee is entitled to payment during which no duties are performed due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence.

*Employee works for more than one legal company and data has been aggregated across all legal companies selected in the report filters and reported for each legal.

Client ID: aevMP	ACA FULL TIME LOOK-BACK REPORT FOR APPLICABLE LARGE EMPLOYERS	From Date: 1/1/2015
Client: Measurements, INC		To Date: 8/31/2015
Companies: Measurements, INC , Rulers , Compass		
Report Generated on: 9/3/2015 9:08:09 PM		

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.

Employee Name	Emp ID	Legal Company	Work State	Pay Type	Hire Date	ACA Status				Results
						Current ACA Status	Average Hours	Total Hours	Look-Back Period Status	
Jenny Austin	47	Measurements, INC	NC	Auto Hourly	2/15/2015	Full Time	145.00	1,160.00	Full Time	
Ross Allen	48	Measurements, INC	NC	Auto Hourly	2/14/2015	Full Time	132.50	1,060.00	Full Time	
Stacy Williams	2	Rulers	NC	Salary	6/1/2015	Full Time	40.00	240.00	Full Time	
Gaby Cashion	1	Rulers	NC	Hourly	6/1/2015	Full Time	39.67	238.00	Full Time	
Chandler Brown	1	Compass	NC	Hourly	6/1/2015	Full Time	22.47	122.00	Part Time	Based on hours, verify ACA status
Ellie Abercrombie	49	Measurements, INC	SC	Salary	2/15/2015	Variable	17.50	140.00	Incomplete	No Action Required
Megan Taylor	2	Compass	NC	Salary	6/1/2015	Full Time	15.11	82.00	Part Time	Based on hours, verify ACA status
David Schmolzer	51	Measurements, INC	NC	Hourly	6/1/2015	Full Time	0.00	0.00	Part Time	Based on hours, verify ACA status

Full-Time ACA: Employed an average of at least 30 hours of service per week or the equivalent of 130 hours of service in a calendar month if applicable large employer applies this equivalency rule on a reasonable and consistent basis. An hour of service includes hours where the employee is entitled to payment during which no duties are performed due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence.

*Employee works for more than one legal company and data has been aggregated across all legal companies selected in the report filters and reported for each legal.

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

- **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.
- **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.
 - Incomplete-employee has not worked a full measurement period and therefore current status should continue.
- **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.
 - Not eligible at this Time: Employee did not experience a change in status.
 - No action required: Employee has not worked during the complete portion of the initial measurement period. 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.

Client ID: aevMP	ACA FULL TIME LOOK-BACK REPORT FOR APPLICABLE LARGE EMPLOYERS	From Date: 1/10/2015
Client: Measurements, INC		To Date: 8/31/2015
Companies: Measurements, INC , Rulers , Compass		
Report Generated on: 9/3/2015 9:23:00 PM		

Ongoing Employees

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

Yadziri Giles		Employment Category: Full Time		Hire Date: 12/31/2012
Current ACA Status: Full Time	Period Begin	Period End	Hours	Look-Back Period: 8.00 Weeks
	6/29/2015	7/5/2015	720.0000	
	7/6/2015	7/8/2015	720.0000	
	8/17/2015	8/23/2015	90.0000	Gap in Worked Pay Periods
Look-Back Period ACA Status: Full Time	Average hours: 191.25		1,530.00	
Sandy Beach		Employment Category: Part Time		Hire Date: 1/1/2014
Current ACA Status: Variable	Period Begin	Period End	Hours	Look-Back Period: 8.00 Weeks
	7/9/2015	7/31/2015	720.0000	
Look-Back Period ACA Status: Full Time	Average hours: 116.17		1,560.00	Change Required: <i>*EE data aggregated</i>
Sandy Beach		Employment Category: Part Time		Hire Date: 9/12/2009
Current ACA Status: Variable	Period Begin	Period End	Hours	Look-Back Period: 5.43 Weeks
	7/27/2015	8/26/2015	840.0000	
Look-Back Period ACA Status: Full Time	Average hours: 116.17		1,560.00	Change Required: <i>*EE data aggregated</i>

ACA Affordable Coverage Determination Report

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 9.56% (2015 number-will be 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 Affordable Coverage Determination Report Options

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.

ACA Affordable Coverage Determination Report

Enables employer to determine whether minimum essential coverage is affordable for each full-time employee, based on the currently prescribed safe harbor methods. Failure to provide affordable coverage could result in an Assessable Payment (i.e., Pay or Pay penalty).

Filtering

Report Data will include all payrolls within the Quarter/Year up to and including the As Of Date.

As Of Date:

PayGroups:

- ACA Mgmt, LLC
- Widget Makers, LLC

Affordable Safe Harbor Meth...:

Include Exceptions Only:

Union Employee Option:

Employee Type Option:

Organization Level:

- Division
- Department
- Location

Work Location:

- Work Locations

Options

Format:

Filtering

- **As of Date**
 - Reports data from beginning of current calendar year through this date.
- **Pay Groups**
 - Defaults to include all legal companies. Can deselect any to exclude them.
- **Affordable Safe Harbor Method**
 - Current Year Projected W-2 Wage
 - Rate of Pay
 - Federal Poverty Line
- **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

Affordable Coverage Determination Report Results

Current Year Projected W-2 Wage

Client ID: aev2015	ACA AFFORDABLE COVERAGE DETERMINATION REPORT	As of Date: 9/2/2015
Client: ACA Mgmt		
Companies: ACA Mgmt, LLC , Widget Makers, LLC		
Report Generated on: 9/2/2015 3:42:55 PM		

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

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

Employee Name	Employee Number	Benefit Plan Lowest Cost Option	Pay Type	Annual EE Cost Of Benefit	Current Year Projected W-2 Wage	Benefit %	Compliance Exception	Annual Increase in Wage To Comply	Annual Reduction in Cost To Comply	Monthly Reduction in Cost To Comply
Frank Aukes	6	Medical 1A: EE ONLY	Salary	1,020.00	16,450.00	6.20 %			0.00	0.00
Brooke Cordi	52	Medical 1A: EE ONLY	Salary	935.00	9,267.80	10.09 %	Exceeds 9.5%	574.31	54.56	4.55

The following columns are included:

- **Employee Name**
- **Employee ID**
- **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.
 - Calculation takes into account new hires and terminations and adjusts the benefit plan lowest cost option as well as Current Year Projected W-2 wage.
- **Pay Type**
- **Annual EE Cost of Benefit**
 - System uses the lowest cost of EE only coverage to calculate the annual cost of that benefit (EE only monthly rate * 12)
 - Calculation takes into account new hires and terminations and adjusts the annual cost to exclude months the Employee was not eligible for coverage.

- **Current Year Projected W2 Wage**

- Based on the 'as of date' of the report, determine how many pay periods are left in the year (regular scheduled payroll runs)
- Use employee Pay Frequency to determine the total number of pays per year.
- Average pay = Federal Withholding Taxable Wages as of report date/(Total pay periods per pay frequency)-(Total pay periods left in the year)
- Current Year Projected W2 Wage = Average Pay * Total number of pays per year Current Year Projected W-2 Wage
 - 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:

(YTD Federal WH taxable wages)

+((YTD Federal WH taxable wages/#of regular pay periods paid to EE YTD)

*remaining regular pay periods))

Example:

Employee JB

Paid biweekly salary of \$100
Paid monthly commissions

	Per Pay		YTD \$Federal WH Taxable Wages	# Pay Periods Remaining
	#Pay Periods Paid YTD	\$Federal WH Taxable Wages		
As of 06/30/2015				
Regular Pay	13	100	1300	13
Commission checks	6	3000	18000	6
TOTALS				

13 (only count regular)
 19300 (only count regular)
 13

Projected =
 $19300 + ((19300/13) * 13) = 38600$

- **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 9.5% of the employee projected annual income.

- **Annual Increase in Wages to Comply**

- 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.
- **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

Client ID: aev2015	ACA AFFORDABLE COVERAGE DETERMINATION REPORT	As of Date: 9/2/2015
Client: ACA Mgmt		
Companies: ACA Mgmt, LLC , Widget Makers, LLC		
Report Generated on: 9/2/2015 4:12:57 PM		

Affordable Safe Harbor Determination Method: Rate of Pay

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

Employee Name	Employee Number	Benefit Plan Lowest Cost Option	Pay Type	Monthly EE Cost Of Benefit	Rate of Pay	Benefit %	Compliance Exception	Hourly Increase in Wage To Comply	Annual Increase in Wage To Comply	Annual Reduction in Cost To Comply	Monthly Reduction in Cost To Comply
Megan Britt	97	Medical 1A: EE ONLY	Salary	85.00	5,000.00	1.70 %				0.00	0.00
Astrid Buford	51	Medical 1A: EE ONLY	Salary	85.00	2,200.00	3.86 %				0.00	0.00
Monica Carlson	13	Medical 1B: EE ONLY	Hourly	94.00	942.50	9.97 %	Exceeds 9.5%	0.36		53.55	4.46
Mason Carson	57	Medical 1A: EE ONLY	Salary	85.00	5,000.00	1.70 %				0.00	0.00

The following columns are included:

- **Employee Name**
- **Employee ID**
- **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.
 - Calculation takes into account new hires and terminations and adjusts the
- **Pay Type**
- **Monthly EE Cost of Benefit**
 - System uses the lowest cost of EE only coverage and displays that amount.
- **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.
- **Annual Increase in Wages to Comply**
 - 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.
 - Only populates for Salary pay types.
- **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.

NOTE: If “Pay Type Not Recognized” is returned in the Rate of Pay column it means a pay type exists in the system that is not included in the report specs. The service bureau may have added a unique pay type at the system level. Please contact your support group with the pay type so it may be added and included in the report.

Fe

Client ID: aev2015	ACA AFFORDABLE COVERAGE DETERMINATION REPORT	As of Date: 9/2/2015
Client: ACA Mgmt		
Companies: ACA Mgmt, LLC , Widqet Makers, LLC		
Report Generated on: 9/2/2015 3:43:04 PM		

Affordable Safe Harbor Determination Method: Federal Poverty Line

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

Employee Name	Employee Number	Benefit Plan Lowest Cost Option	Pay Type	Annual EE Cost Of Benefit	Federal Poverty Line	Benefit %	Compliance Exception	Annual Reduction in Cost To Comply	Monthly Reduction in Cost To Comply
Ned Payne	14	Medical 1B: EE ONLY	Hourly	1,128.00	11,670.00	9.67 %	Exceeds 9.5%	19.35	1.61
Miriam Peterson	23	Medical 1A: EE ONLY	Salary	1,020.00	11,670.00	8.74 %		0.00	0.00
Brock Phillips	26	Medical 1A: EE ONLY	Salary	1,020.00	11,670.00	8.74 %		0.00	0.00

The following columns are included:

- **Employee Name**
- **Employee ID**
- **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.
 - Calculation takes into account new hires and terminations and adjusts the
- **Pay Type**
- **Annual EE Cost of Benefit**
 - System uses the lowest cost of EE only coverage to calculate the annual cost of that benefit (EE only monthly rate * 12)
 - Calculation takes into account new hires and terminations and adjusts the annual cost to exclude months the Employee was not eligible for coverage.
- **Federal Poverty Line**
 - Coverage is considered affordable if the premium paid by the employee does not exceed 9.5% of the federal poverty line.
 - Based on the published Federal Poverty Line (FPL) in effect for the current year, accessed at <http://aspe.hhs.gov/poverty/13poverty.cfm>
 - This report currently uses the 2015 FPL or \$93.18/month as the target.
- **Benefit %**
 - Annual EE Cost of Benefit/Federal Poverty Line
- **Compliance Exception**
 - Identifies exceptions where the annual cost of the lowest cost benefit plan exceeds 9.5% of the Federal Poverty Line.
- **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.

All report options include company totals for any wage increases on a monthly or annual basis, benefit reductions on an annual or monthly basis and potential maximum penalties for non-compliance.

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.
- **Pay Groups**
 - Defaults to include all legal companies. Can deselect any to exclude them.
- **Affordable Safe Harbor Method**
 - Current Year Projected W-2 Wage
 - Rate of Pay
- **Projected Annual Cost**
 - Allows the user to enter the projected annual cost using any renewal rate in order to project the new rate's affordability.
 - 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**
 - 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

ACA Plan Renewal Affordability Projection Tool Report Results

Current Year Projected W-2 Wage

Client ID: aev2015	ACA PLAN RENEWAL - AFFORDABILITY PROJECTION TOOL	As of Date: 9/3/2015
Client: ACA Mgmt		
Companies: ACA Mgmt, LLC , Widget Makers, LLC		
Report Generated on: 9/3/2015 5:38:14 AM		

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

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

Employee Name	Employee Number	Benefit Plan Lowest Cost Option	Pay Type	Annual EE Cost Of Benefit	Current Year Projected W-2 Wage	Benefit %	Compliance Exception	Annual Increase in Wage To Comply	Annual Reduction in Cost To Comply	Monthly Reduction in Cost To Comply
Frank Aukes	6	Projected Annual Employee Cost	Salary	2,250.00	16,450.00	13.68 %	Exceeds 9.5%	7,234.21	687.25	57.27
Parker Aukes	112	Projected Annual Employee Cost	Salary	2,250.00	27,739.36	8.11 %			0.00	0.00

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

Client ID: aev	ACA PLAN RENEWAL - AFFORDABILITY PROJECTION TOOL	As of Date: 9/3/2015
Client: ABC 123		
Companies: ABC 123, LLC , XYZ		
Report Generated on: 9/3/2015 3:16:05 PM		

Affordable Safe Harbor Determination Method: Rate of Pay

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

Employee Name	Employee Number	Benefit Plan Lowest Cost Option	Pay Type	Monthly EE Cost Of Benefit	Rate of Pay	Benefit %	Compliance Exception	Hourly Increase in Wage To Comply	Annual Increase in Wage To Comply	Annual Reduction in Cost To Comply	Monthly Reduction in Cost To Comply
Teresa Barrett	20	Projected Annual Employee Cost	Hourly	500.00	1,820.00	27.47 %	Exceeds 9.5%	26.49		3,925.20	327.10
George Berry	32	Projected Annual Employee Cost	Hourly	500.00	1,560.00	32.05 %	Exceeds 9.5%	28.49		4,221.60	351.80
Daphne Blake	2	Projected Annual Employee Cost	Hourly	500.00	1,040.00	48.08 %	Exceeds 9.5%	32.49		4,814.40	401.20

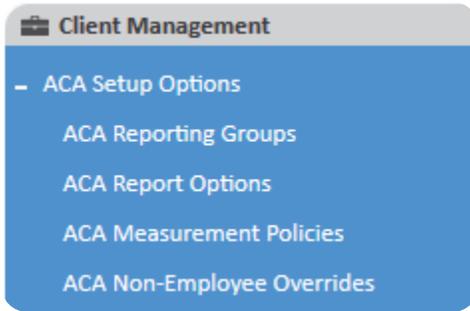
The following columns are included:

- **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.
- **Annual Increase in Wages to Comply**
 - 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.
 - Only populates for Salary pay types.
- **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.

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 Reporting Groups

Group Type Group Name

+ Add New Edit Delete Refresh Save Cancel

Use this screen to setup Aggregate ALE (Applicable Large Employer) Groups and Designated Governmental Entities (DGE).
 1. Select a Group Type. If 'Designated Governmental Entity (DGE)' is selected, additional fields will be displayed.
 2. After the 'Save', the ALE Members tab will be displayed. Select the ALE Members on this tab.

ACA Group Type
 * Group Type: Designated Governmental Entity (▼)

ACA Report Groups
 * Group Name:

Additional Group Members
 Legal Name: FEIN:

Group Members
 Select the members of this group. A legal company can only be a member of one ACA Reporting Group.
 Available Legal Companies: Selected Legal Companies:
 Mystery, Inc

Designated Governmental Entity (DGE)
 * DGE Name:
 * EIN:
 * Address:
 * City:
 * State:
 * Zip:
 * Contact:

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

Year: 2014

Report Options | Employer Overrides

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

ACA Reporting Year

* ACA Reporting Year:

Format: YYYY

ACA Company Contact

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

Contact:

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.

ACA Reporting Group

Form 1094-C Line 21 and Lines 23-35, Column (d) will be populated based on the selections made below.

Reporting Group:

All Months

JAN

FEB

MAR

APR

MAY

JUN

JUL

AUG

SEP

OCT

NOV

DEC

Employee Count Method

Employee Count Based On:

Default: Last Day of Month

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.
- 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% (2015) 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 70% 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.

- **Start On:** Options include “First Day,” “First Day of Month,” and “First Day of the First Payroll Period.”
- **Following__days after IMP end date:** A numerical value can be entered here.

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 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.

SMP Start Date	SMP Stop Date	SAP Start Date	SAP Stop Date	SSP Start Date	SSP Stop Date
01/01/2013	06/30/2013	07/01/2013	07/31/2013	08/01/2013	01/31/2014
07/01/2013	12/31/2013	01/01/2014	01/31/2014	02/01/2014	07/31/2014
01/01/2014	06/30/2014	07/01/2014	07/31/2014	08/01/2014	01/31/2015

Standard Measurement Period
* Start Date: 1/1/2013

Standard Administrative Period
* Start Date: 7/1/2013

Standard Stability Period
* Start Date: 8/1/2013
* Stop Date: 1/31/2014

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:

Standard Administrative Period Start Date minus 1 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:

Standard Stability Period Start Date minus 1 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:

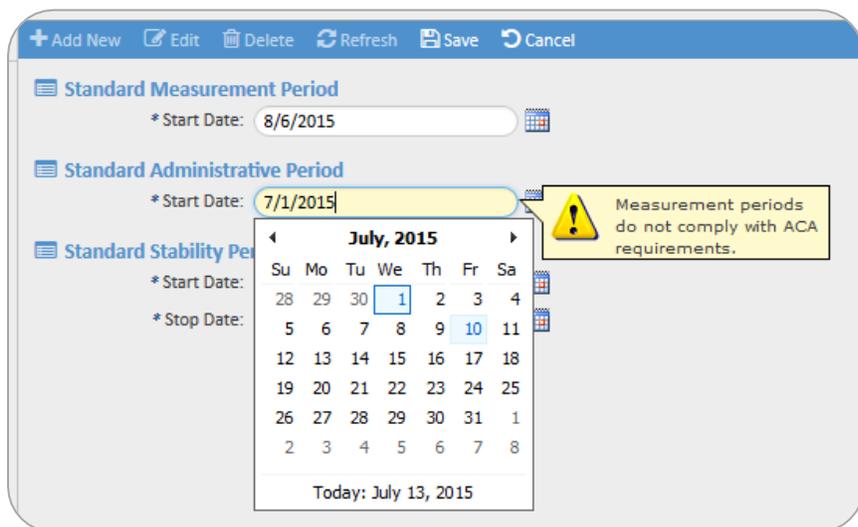
Start Date

- 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:



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

Employee 47 of 50		Rhonda Whorton		Auto Hourly: 101.8422		Division:	
Employee# 43 Status: Active Hire Date: 5/25/2014		Work Location: COLUMBIA, SC		Department: 300			
ACA Measurement Period							
Measurement Period type: Initial <input type="button" value="Filter"/>							
Policy Group	Initial Measurement Period Start Date	Initial Measurement Period Stop Date	Average IMP Hours	Initial Stability Period Start Date	Initial Stability Period Stop Date	Stability Period ACA Status	
FDM	06/01/2014	08/31/2014	36.52	09/01/2014	02/28/2015	Full Time	

- 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:
 - 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.
 - 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:
 - 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”.
 - 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:
 - A new Employment record effective as of the **Initial Stability Period Start Date** associated with the Initial 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 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

ACA Monthly Measurement Status Report

This report uses the “Weekly Rule” to accommodate payroll periods when utilizing the Monthly Measurement Method. Under this rule, full-time status is determined based on hours of service over a successive four or five-week period. For this report, the period contains the week that includes the first day of the month.

Filtering

Month:

Weekly Rule:

Options

Format:

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

Client ID: aev1 - Big Bang Theory	ACA MONTHLY MEASUREMENT STATUS REPORT	Measurement Month: July 2015
Run Date: 9/3/2015 1:27:55 PM	Big Bang Theory	From: 6/29/2015 To: 7/26/2015

Employee Number	Employee Name	Date of Hire	Measurement Policy Group Name	Current ACA Status	Current Hours Met for ACA FT Status	Hours of Service for the Month	Measured ACA Status	Results
7	Amy Fowler	08/01/2009	Monthly	ACA Variable		160.00	Full-time	Hours Met for ACA Full-time Status, Offer Health Benefits
6	Bernadette Wolowitz	07/31/2009	Monthly	ACA Variable		60.00	Part-time	No action required
5	Howard Wolowitz	07/30/2009	Monthly	ACA Variable	Yes	60.00	Part-time	Based on hours, verify ACA status
2	Leonard Hofstadter	07/27/2009	Monthly	ACA Full Time		160.00	Full-time	No action required
9	Leslie Winkle	03/23/2015	Monthly	ACA Variable		60.00	Part-time	No action required
10	Mary Cooper	03/23/2015	Monthly	ACA Variable		160.00	Full-time	Hours Met for ACA Full-time Status, Offer Health Benefits
1	Penny Nkin	07/26/2009	Monthly	ACA Full Time		160.00	Full-time	No action required
4	Rajesh Koothrappali	07/29/2009	Monthly	ACA Full Time		60.00	Part-time	Based on hours, verify ACA status
3	Sheldon Cooper	07/28/2009	Monthly	ACA Full Time		160.00	Full-time	No action required
8	Stuart Bloom	08/02/2009	Monthly	ACA Variable	Yes	160.00	Full-time	No action required

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

ACA Look-Back Change in Status Report

Filtering

Company:

Pay Group:

Payroll:

Sorting

Sort Field 1:

Sort Field 2:

Sort Field 3:

Scheduled Sort: None

Options

Add Report to Archive

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

Client ID: aevMP - Measurements, INC	ACA LOOK-BACK CHANGE IN STATUS REPORT	Period Begin Date: 7/9/2015
Pay Group: Weekly	Measurements, INC	Period End Date: 7/31/2015
Check Date: 7/31/2015		Pay Period: 2
Run Date: 8/26/2015 Run Number: 23		Payroll Type: Data Conversion

Initial Measurement Period Results							
Employee Number	Employee Name	Measurement Policy Group Name	Current ACA Status	Current Hours Met for ACA FT Status	Measurement Period Hours of Service	Stability Period Status	Stability Period Start Date
47	Jenny Austin	Hourly	ACA Variable		52.27	Full Time	08/01/2015
49	Elle Abercrombie	Salary	ACA Variable		4.67	Part Time	08/01/2015
48	Ross Allen	Salary	ACA Variable		47.60	Full Time	08/01/2015

Ongoing Standard Measurement Period Results							
Employee Number	Employee Name	Measurement Policy Group Name	Current ACA Status	Current Hours Met for ACA FT Status	Measurement Period Hours of Service	Stability Period Status	Stability Period Start Date
26	Addie Bridges	Hourly	ACA Variable		22.62	Part Time	08/01/2015
32	George Berry	Hourly	ACA Variable	Yes	30.94	Full Time	08/01/2015
13	Monica Carlson	Hourly	ACA Variable		55.69	Full Time	08/01/2015
20	Teresa Barrett	Hourly	ACA Variable	Yes	4.25	Part Time	08/01/2015

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 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 Series2 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

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

Form 1094-B Transmittal of Health Coverage Information Returns OMB No. 1545-2252 1115
 Department of the Treasury Internal Revenue Service > Information about Form 1094-B and its separate instructions is at www.irs.gov/form1094b. **2014**

1 Filer's name ACA SE LLC	2 Employer identification number (EIN) 12-3456789	For Official Use Only □ □ □ □ □ □ □ □
3 Name of person to contact Helen HumanResources	4 Contact telephone number 704-555-1213	
5 Street address (including room or suite no.) 100 S First St	6 City or town Charlotte	
7 State or province NC	8 Country and ZIP or foreign postal code US 28201	
9 Total number of Forms 1095-B submitted with this transmittal >	16	

Under penalties of perjury, I declare that I have examined this return and accompanying documents, and, to the best of my knowledge and belief, they are true, correct and complete.

Signature _____ Title _____ Date _____

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 61570P Form 1094-B (2014)

➤ iSolved populates based on Employer demographic information

➤ Automatically calculates
➤ Does not include 2nd employee page when applicable

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

ACA Plan Options

- ACA Minimum Essential Coverage
- ACA Minimum Value
- Self Funded Plan

- Employee Benefits>Benefits Plans>Enrollment Information

➤ iSolved populates using ER Demographic Information
➤ iSolved populates based on EE demographic information

Form 1095-B		Health Coverage		<input type="checkbox"/> VOID	560115 OMB No. 1545-2252
Department of the Treasury Internal Revenue Service		<small>> Information about Form 1095-B and its separate instructions is at www.irs.gov/form1095b.</small>		<input type="checkbox"/> CORRECTED	2014
Part I Responsible Individual (Policy Holder)					
1 Name of responsible individual Carol Warner		2 Social security number (SSN) 345-67-8912		3 Date of birth (if SSN is not available)	
4 Street address (including apartment no.) 124 main Apt C		5 City or town Columbia		6 State or province SC	
				7 Country and ZIP or foreign postal code US 29201	
8 Enter letter identifying Origin of the Policy (see instructions for codes):		B		9 Small Business Health Options Program (SHOP) Marketplace Identifier, if applicable	
Part II Employer Sponsored Coverage (If Line 8 is A or B, complete this part.)					
10 Employer name		11 Employer identification number (EIN)			
12 Street address (including room or suite no.)		13 City or town		14 State or province	
				15 Country and ZIP or foreign postal code	
Part III Issuer or Other Coverage Provider					
16 Name ACA SE LLC		17 Employer Identification Number (EIN) 12-3456789		18 Contact telephone number 704-555-1213	
19 Street address (including room or suite no.) 100 S First St		20 City or town Charlotte		21 State or province NC	
				22 Country and ZIP or foreign postal code US 28201	

➤ iSolved will not populate based on IRS instructions

➤ iSolved will always populate this with Code B

TIP

Part II—Employer Sponsored Coverage

Insurance companies entering codes A or B on line 8 will complete Part II. Employers reporting self-insured group health plan coverage on Form 1095-B enter code B on line 8, but do not complete Part II. If you entered code B for self-insured coverage, skip Part II and go to Part III.

Line 8. This is the code for the type of coverage in which you or other covered individuals were enrolled. Only one letter will be entered on this line.

- A. Small Business Health Options Program (SHOP)
- B. Employer-sponsored coverage
- C. Government-sponsored program
- D. Individual market insurance
- E. Multiemployer plan
- F. Miscellaneous minimum essential coverage

Part IV Covered Individuals (Enter the information for each covered individual(s).)																
(a) Name of covered individual(s)	(b) SSN	(c) DOB (if SSN is not available)	(d) Covered all 12 months	(e) Months of coverage												
				Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
23 Warner, Carol	345-67-8912		<input checked="" type="checkbox"/>	<input type="checkbox"/>												
24 Warner, Husband	111-22-3333		<input checked="" type="checkbox"/>	<input type="checkbox"/>												
25 Warner, Child1		02/15/2000	<input checked="" type="checkbox"/>	<input type="checkbox"/>												
26 Warner, Child2		02/15/2002	<input checked="" type="checkbox"/>	<input type="checkbox"/>												
27 Warner, Child3		02/15/2004	<input checked="" type="checkbox"/>	<input type="checkbox"/>												
28 Warner, Child4		02/15/2006	<input checked="" type="checkbox"/>	<input type="checkbox"/>												

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 60704B Form 1095-B (2014)

➤ iSolved populates with information from Employee Contacts and Employee Benefits

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 t 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.

Form **1094-C** Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns

Department of the Treasury Internal Revenue Service

> Information about Form 1094-C and its separate instructions is at www.irs.gov/1094c.

2014

Part I Applicable Large Employer Member (ALE Member)

1 Name of ALE Member (Employer)
ACA Mgmt, LLC

2 Employer identification number (EIN)
123456789

3 Street address (including room or suite no.)
555 S First St

4 City or town
Charlotte

5 State or province
NC

6 Country and ZIP or foreign postal code
28201

7 Name of person to contact
Abel Atkins

8 Contact telephone number
555-555-1212

9 Name of Designated Government Entity (only if applicable)

10 Employer identification number (EIN)

11 Street address (including room or suite no.)

12 City or town

13 State or province

14 Country and ZIP or foreign postal code

15 Name of person to contact

16 Contact telephone number

17 Reserved

18 Total number of Forms 1095-C submitted with this transmittal
121

Part II ALE Member Information

19 Is this the authoritative transmittal for this ALE Member? If "Yes," check the box and continue. If "No," see instructions Yes No

20 Total number of Forms 1095-C filed by and/or on behalf of ALE Member
159

21 Is ALE Member a member of an Aggregated ALE Group? If "No," do not complete Part IV. Yes No

22 Certifications of Eligibility (select all that apply):
 A. Qualifying Offer Method B. Qualifying Offer Method Transition Relief C. Section 4980H Transition Relief D. 99% Offer Method

Under penalties of perjury, I declare that I have examined this return and accompanying documents, and, to the best of my knowledge and belief, they are true, correct and complete.

Signature _____ Title _____ Date _____

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 61571A Form 1094-C (2014)

> iSolved populates using ER Demographic Information

> Automatically calculates
> Does not include 2nd employee page when applicable

> iSolved populates based on boxes checked on the ACA Report Options Page

❖ Important note: if the form is not the Authoritative Transmittal Boxes 20-22 are left blank and the form is then signed/dated.

Form 1094-C (2014) Page 2

Part III ALE Member Information - Monthly

		(a) Minimum Essential Coverage Offer Indicator		(b) Full-time Employee Count for ALE Member	(c) Total Employee Count for ALE Member	(d) Aggregated Group Indicator	(e) Section 4980H Transition Relief Indicator
		Yes	No				
23	All 12 Months	<input type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	B
24	Jan	<input type="checkbox"/>	<input type="checkbox"/>	102	130	<input type="checkbox"/>	
25	Feb	<input type="checkbox"/>	<input type="checkbox"/>	104	133	<input type="checkbox"/>	
26	Mar	<input type="checkbox"/>	<input type="checkbox"/>	106	137	<input type="checkbox"/>	
27	Apr	<input type="checkbox"/>	<input type="checkbox"/>	108	141	<input type="checkbox"/>	
28	May	<input type="checkbox"/>	<input type="checkbox"/>	109	143	<input type="checkbox"/>	
29	June	<input type="checkbox"/>	<input type="checkbox"/>	110	145	<input type="checkbox"/>	
30	July	<input type="checkbox"/>	<input type="checkbox"/>	111	147	<input type="checkbox"/>	
31	Aug	<input type="checkbox"/>	<input type="checkbox"/>	112	149	<input type="checkbox"/>	
32	Sep	<input type="checkbox"/>	<input type="checkbox"/>	113	151	<input type="checkbox"/>	
33	Oct	<input type="checkbox"/>	<input type="checkbox"/>	114	153	<input type="checkbox"/>	
34	Nov	<input type="checkbox"/>	<input type="checkbox"/>	115	155	<input type="checkbox"/>	
35	Dec	<input type="checkbox"/>	<input type="checkbox"/>	117	159	<input type="checkbox"/>	

Form 1094-C (2014)

> 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

> iSolved populates based on boxes checked on the ACA Report Options Page

> iSolved populates based on boxes checked on the ACA Report Options Page (C)

Form 1094-C (2014) Page 3

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).

Name	EIN	Name	EIN
36 Widget Makers, LLC	987654321	51	
37		52	
38		53	
39		54	
40		55	
41		56	
42		57	
43		58	
44		59	
45		60	
46		61	
47		62	
48		63	
49		64	
50		65	

Form 1094-C (2014)

➤ 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.

Form **1095-C** Employer-Provided Health Insurance Offer and Coverage VOID CORRECTED **2014**

Department of the Treasury Internal Revenue Service Information about Form 1095-C and its separate instructions is at www.irs.gov/form1095c.

Part I Employee

1 Name of employee Mel Tjen		2 Social security number (SSN) 333-22-7777	7 Name of employer ACA Mgmt, LLC		8 Employer identification number (EIN) 123456789
3 Street address (including apartment no.) 215 Main			9 Street address (including room or suite no.) 555 S First St		10 Contact telephone number 555-555-1212
4 City or town Charlotte	5 State or province NC	6 Country and ZIP or foreign postal code US 28229	11 City or town Charlotte	12 State or province NC	13 Country and ZIP or foreign postal code US 28201

Part II Employee Offer and Coverage

	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)		1E	1H	1H	1H	1H	1H						
15 Employee Share of Lowest Cost Monthly Premium, for Self-Only Minimum Value Coverage		\$94.00	\$94.00	\$94.00	\$94.00	\$94.00	\$94.00	\$94.00	\$	\$	\$	\$	\$
16 Applicable Section 4980H Safe Harbor (enter code, if applicable)		2C	2A	2A	2A	2A	2A						

Part III Covered Individuals

If Employer provided self-insured coverage, check the box and enter the information for each covered individual.

(a) Name of covered individual(s)	(b) SSN	(c) DOB (if SSN is not available)	(d) Covered all 12 months	(e) Months of Coverage												
				Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
17 Tjen, Mel	333-22-7777		<input type="checkbox"/>	X	X	X	X	X	X	X	X					
18 Tjen, Wife		08/15/1963	<input type="checkbox"/>	X	X	X	X	X	X	X						
19			<input type="checkbox"/>													
20			<input type="checkbox"/>													
21			<input type="checkbox"/>													
22			<input type="checkbox"/>													

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cal. No: 00705M Form 1095-C (2014)

➤ iSolved populates based on EE demographic information

➤ iSolved populates based on benefit plan setup and EE benefit information

Form 1095-C
Department of the Treasury
Internal Revenue Service

Employer-Provided Health Insurance Offer and Coverage VOID
 CORRECTED **2014**

> Information about Form 1095-C and its separate instructions is at www.irs.gov/form1095c.

2014

Part I Employee

1 Name of employee
Mel Tjen

2 Social security number (SSN)
333-22-7777

3 Street address (including apartment no.)
215 Main

4 City or town
Charlotte

5 State or province
NC

6 Country and ZIP or foreign postal code
US 28229

Applicable Large Employer Member (Employer)

7 Name of employer
ACA Mgmt, LLC

8 Employer identification number (EIN)
123456789

9 Street address (including room or suite no.)
555 S First St

10 Contact telephone number
555-555-1212

11 City or town
Charlotte

12 State or province
NC

13 Country and ZIP or foreign postal code
US 28201

Part II Employee Offer and Coverage

All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)	1E	1H	1H	1H	1H	1H						
15 Employee Share of Lowest Cost Monthly Premium, for Self-Only Minimum Value Coverage	\$94.00	\$94.00	\$94.00	\$94.00	\$94.00	\$94.00	\$94.00	\$	\$	\$	\$	\$
16 Applicable Section 4980H Safe Harbor (enter code, if applicable)	2C	2A	2A	2A	2A	2A						

Part III Covered Individuals

If Employer provided self-insured coverage, check the box and enter the information for each covered individual.

	(a) Name of covered individual(s)	(b) SSN	(c) DOB (if SSN is not available)	(d) Covered all 12 months	(e) Months of Coverage													
					Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec		
17	Tjen, Mel	333-22-7777		<input type="checkbox"/>	X	X	X	X	X	X	X	X						
18	Tjen, Wife		08/15/1963	<input type="checkbox"/>	X	X	X	X	X	X	X	X						
19				<input type="checkbox"/>														
20				<input type="checkbox"/>														
21				<input type="checkbox"/>														
22				<input type="checkbox"/>														

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 60705M Form 1095-C (2014)

- iSolved populates based on Measurement Policies and Benefit Eligibility
- iSolved populates based on lowest EE rate in the benefit plan setup
- iSolved populates based on Measurement Policies, Benefit Enrollment and Affordability
- ❖ Override screens are available for these fields
- ❖ EE Benefits Menu

Form	Purpose	Who files	Who receives	Deadline	Notes
1094-B	Cover sheet that accompanies the 1095-B Forms	Health insurance issuers or carriers Small, self-insured employers	IRS	February 29, 2016 (leap year) March 31, 2016 for electronic filers	Must be filed with Form 1095-B
1095-B	Statement indicating which months the individual and any dependents were covered by Minimum Essential Coverage	Health insurance issuers or carriers Small, self-insured employers	IRS Employee/ Health plan participant	February 29, 2016 (leap year) March 31, 2016 for electronic filers	Send to last known address May provide electronically with recipient's affirmative consent
1094-C	Cover sheet that accompanies the 1095-C Forms Summary information for each employer including certifications of eligibility, aggregate group	Applicable Large Employers (ALE)- those with 50 or more full-time employees (including full-time equivalent employees)	IRS	February 29, 2016 (leap year) March 31, 2016 for electronic filers	Must be filed with Form 1095-C. Reports summary information for each employer Used in determining whether an employer owes a payment under the employer shared responsibility

	member information and any transition relief that may apply				
1095-C	Statement reporting on offers of health coverage and enrollment in health coverage for employees For self-funded employers, reports which months the individual and any dependents were covered by Minimum Essential Coverage	ALE (Employers with 50 or more full-time employees (including full-time equivalent employees)	IRS Each full-time employee	IRS February 29, 2016 (leap year) March 31, 2016 for electronic filers Employee February 1, 2016 (due to January 31, 2016 falling on Sunday)	Send to last known address May provide electronically with recipient's affirmative consent Used to determine eligibility of employees for the premium tax credit

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 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 a 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.

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-Subsidiy 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-subsiary or brother-sister group, and
 - At least one corporation is the common parent of a parent-subsiary, 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 purposed 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 \times 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 hours). 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.