

2020 ACA Year-End Maintenance Guide

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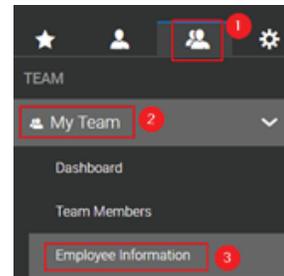
Employee Maintenance | Employee Main Tab

ExpertHCM calculates ACA codes for your company when employee profiles are set correctly.

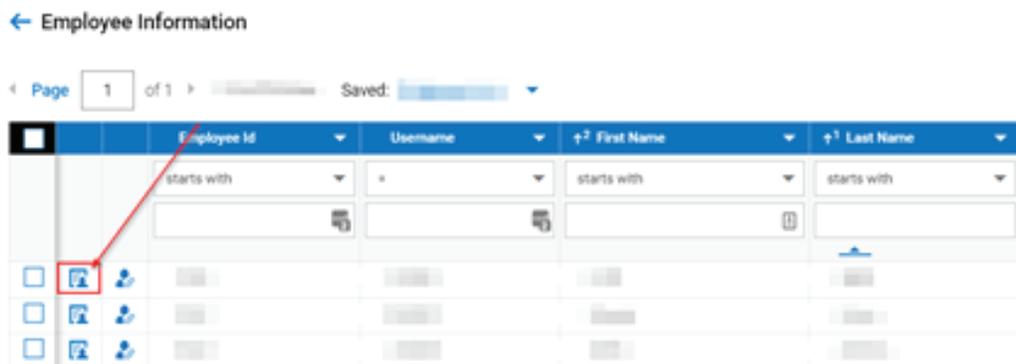
Employee Main Tab

Only employees that are eligible to receive benefits are required to have a benefit profile assigned to them.

1. Navigate to My Team > Employee Information



2. Locate the employee that needs the benefit profile assigned and open employee profile.



Employee Maintenance | Employee Main Tab

Profiles Widget

1. Click on Profiles > Manage Profiles
2. Locate Benefit Profiles
3. Click on +Add to add a row 

Benefit

Benefit Choose... 	Effective Date * 12/31/1900 
+ Add 	

4. Enter the appropriate benefit profile to the bottom field.
5. Enter the date the benefits are effective in the date field; usually the first of a month after a waiting period.

Benefit

Benefit Choose... 	Effective Date * 12/31/1900 
Benefit Benefits - Eligible 	Effective Date * 01/01/2020 
+ Add 	

Employee Maintenance | Employee Main Tab

Profiles Widget Continued

Note: If you are using employee enrollment service, you will then need to update the Benefit Enrollment Override Widget. An information message will appear after saving the benefit profile to the employee. Clicking on this message will open a pop-up window to adjust the window of time an employee has to enroll in benefits. This also calculate a limited non-assessment period for the employee in regard to ACA.



Benefit Profile- Enrollment Override

This step only needs to be completed for new employees.

Note: Employees that have benefits already recorded in the Benefit Plans Widget do not need this completed.

1. Select the benefit profile that was just applied to the employee.
2. Enter the first day an employee is allowed to enroll in benefits.
3. Enter the last day benefit enrollment will be open for this employee.

A form titled "Benefit Profile Enrollment Override". It contains three input fields: "Profile" with a dropdown menu showing "Choose..." and a magnifying glass icon; "Start Date" with a text input field containing "mm/dd/yyyy" and a calendar icon; and "End Date" with a text input field containing "mm/dd/yyyy" and a calendar icon.

Employee Maintenance | Employee Main Tab

Employee ACA Tab

All employees will need ACA profile assigned to them. Typically, the profile is labeled to indicate which type of employee this is.

ACA Timeline Widget

1. Click on Manage Employee's ACA Timeline:

ACA Timeline Overview

Date Range: [dropdown] | Last Calculated: [dropdown]

ACA Profile	Variable Hours Employee	Effective Date	01/01/2012
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Form/Status [dropdown] [dropdown] [dropdown] [dropdown] [dropdown] [dropdown] [dropdown]

2. Select the appropriate ACA Profile:

← ACA Timeline

SAVE RECALCULATE

Date Range: [dropdown] | Last Calculated: [dropdown]

JUMP TO

- ACA Profile
- Form 1095-C
- Status

ACA Profile

ACA Profile

Variable Hours Employee [dropdown]

Effective Date *

01/01/2012

+ Add

Line 14 | Offer of Coverage Codes

What medical benefit did you offer the employee?

Code	Description
1A	Qualifying Offer: Minimum essential coverage providing minimum value offered to full-time employee with Employee Required Contribution equal to or less than 9.5% (as adjusted) of mainland single federal poverty line and at least minimum essential coverage offered to spouse and dependent(s).
1B	Minimum essential coverage providing minimum value offered to employee only.
1C	Minimum essential coverage providing minimum value offered to employee and at least minimum essential coverage offered to dependent(s) (not spouse).
1D	Minimum essential coverage providing minimum value offered to employee and at least minimum essential coverage offered to spouse (not dependent(s)). Do not use 1D if the coverage for the spouse was offered conditionally. Instead, use cod 1J.
1E	Minimum essential coverage providing minimum value offered to employee and at least minimum essential coverage offered to dependent(s) and spouse. Do not use code 1E if the coverage for the spouse was offered conditionally. Instead, use 1K.
1F	Minimum essential coverage NOT providing minimum value offered to employee; employee and spouse or dependent(s); or employee, spouse and dependent(s).

Line 14 | Offer of Coverage Codes

What medical benefit did you offer the employee?

Code	Description
1G	<p>Offer of coverage for at least one month of the calendar year to an individual who was not an employee for any month of the calendar year or to an employee who was not a full-time employee for any month of calendar year (which may include one or more months in which the individual was not an employee) and who enrolled in self-insured coverage for one or more months of the calendar year.</p> <p>Note: Code 1G applies for the entire year or not at all. Therefore, if code 1G applies, an ALE Member must enter code 1G on the line 14 in the "All 12 Months" column or in each separate monthly box (for all 12 months).</p>
1H	No offer of coverage (employee not offered any health coverage or employee offered coverage that is not minimum essential coverage, which may include one or more months in which the individual was not an employee).
1I	Reserved for future use.
1J	Minimum essential coverage providing minimum value offered to employee and at least minimum essential coverage conditionally offered to spouse; minimum essential coverage not offered to dependent(s). (See Conditional offer of spousal coverage, earlier, for an additional description of conditional offers.)
1K	Minimum essential coverage providing minimum value offered to employee; at least minimum essential coverage offered to dependents; and at least minimum essential coverage conditionally offered to spouse. (See Conditional offer of spousal coverage, earlier, for an additional description of conditional offers.)

Line 14 Offer of Coverage Codes

What medical benefit did you offer the employee?

Code	Description
1L	Individual coverage HRA offered to employee only with affordability determined by using employee's primary residence location ZIP code.
1M	Individual coverage HRA offered to employee and dependent(s) (not spouse) with affordability determined by using employee's primary residence location ZIP code.
1N	Individual coverage HRA offered to employee, spouse, and dependents(s) with affordability determined by using employee's primary residence location ZIP code.
1O	Individual coverage HRA offered to employees only using the employee's primary employment site ZIP code affordability safe harbor.
1P	Individual coverage HRA offered to employee and dependents(s) (not spouse) using the employee's primary employment site ZIP code affordability safe harbor.

Line 14 Offer of Coverage Codes

What medical benefit did you offer the employee?

Code	Description
1Q	Individual coverage HRA offered to employee, spouse, and dependent(s) using employee's primary employment site ZIP code affordability safe harbor.
1R	Individual coverage HRA that is NOT affordable offered to employee; employee and spouse, or dependent(s); or employee, spouse and dependents.
1S	Individual coverage HRA offered to an individual who was not a full-time employee.
1T 1U 1V 1W 1X 1Y 1Z	Reserved for future use. Reserved for future use.

Line 15

Line 15: Complete line 15 only if code 1B, 1C, 1D, 1E, 1J, 1K, 1L, 1M, 1N, 1O, 1P, or 1Q, is entered on line 14 either in the “All 12 Months” box or in any of the monthly boxes. Enter the amount of the Employee Required Contribution, which is, generally, the employee share of the monthly cost for the lowest-cost, self-only minimum essential coverage providing minimum value that is offered to the employee. For additional details on how to determine the Employee Required Contribution, including how to determine the Employee Required Contribution for the individual coverage HRA, see the Definitions section, later. Enter the amount, including any cents. If the employee is offered coverage but the Employee Required Contribution is zero, enter “0.00” (do not leave blank). If the Employee Required Contribution was the same amount for all 12 calendar months, you may enter that monthly amount in the “All 12 Months” box and not complete the monthly boxes. If the Employee Required Contribution was not the same for all 12 months (for instance, if an ALE Member has a non-calendar year plan and the employee share of the premium changes with the new plan year that starts in 2020), enter the amount in each calendar month for which the employee was offered minimum value coverage. See the definition of Employee Required Contribution in the Definitions section, for more information, including on how to determine the monthly required contribution from annual data.

Tip: For line 15, the amount entered might not be the amount the employee is paying for the coverage, for example, if the employee chose to enroll in more expensive coverage, such as family coverage, or if the employee is eligible for certain other healthcare arrangements.

Line 16 | Safe Harbor Codes

What did the employee do when the offer was made?
OR Why was the offer not made?

Code	Description
2A	Employee not employed during the month. Enter code 2A if the employee was not employed on any day of the calendar month. Do not use code 2A for a month if the individual was an employee of the ALE Member on any day of the calendar month. Do not use code 2A for the month during which an employee terminates employment with the ALE Member.
2B	Employee not a full-time employee. Enter code 2B if the employee is not a full-time employee for the month and did not enroll in minimum essential coverage, if offered for the month. Enter code 2B also if the employee is a full-time employee for the month and whose offer of coverage (or coverage if the employee was enrolled) ended before the last day of the month solely because the employee terminated employment during the month (so that the offer of coverage or coverage would have continued if the employee had not terminated employment during the month).

Line 16 | Safe Harbor Codes

What did the employee do when the offer was made?
OR Why was the offer not made?

Code	Description
2C	Employee enrolled in health coverage offered. Enter code 2C for any month in which the employee enrolled for each day of the month in health coverage offered by the ALE Member, regardless of whether any other code in Code Series 2 might also apply (for example, the code for a section 4980H affordability safe harbor) except as provided below. Do not enter code 2C on line 16 for any month in which the multi-employer interim rule relief applies (enter code 2E). Do not enter code 2C on line 16 if code 1G is entered on line 14. Do not enter code 2C on line 16 for any month in which a terminated employee is enrolled in COBRA continuation coverage or other post-employment coverage (enter code 2A). Do not enter code 2C on line 16 for any month in which the employee enrolled in coverage that was not minimum essential coverage
2D	Employee in a section 4980H(b) Limited Non-Assessment Period. Enter code 2D for any month during which an employee is in a section 4980H(b) Limited Non-Assessment Period. If an employee is in an initial measurement period, enter code 2D (employee in a section 4980H(b) Limited Non-Assessment Period) for the month, and not code 2B (employee not a full-time employee). For an employee in a section 4980H(b) Limited Non-Assessment Period for whom the ALE Member is also eligible for the multi-employer interim rule relief for the month, enter code 2E (multi-employer interim rule relief) and not code 2D (employee in a section 4980H(b) Limited Non-Assessment Period).

Line 16 | Safe Harbor Codes

What did the employee do when the offer was made?
OR Why was the offer not made?

Code	Description
2E	<p>Multi-employer interim rule relief. Enter code 2E for any month for which the multi-employer arrangement interim guidance applies for that employee, regardless of whether any other code in Code Series 2 (including code 2C) might also apply. This relief is described under Offer of Health Coverage in the Definitions section of these instructions.</p> <p>Note. Although ALE Members may use the section 4980H affordability safe harbors to determine affordability for purposes of the multi-employer arrangement interim guidance, an ALE Member eligible for the relief provided in the multi-employer arrangement interim guidance for a month for an employee should enter code 2E (multi-employer interim rule relief), and not code 2F, 2G, or 2H (codes for section 4980H affordability safe harbors).</p>
2F	<p>Section 4980H affordability Form W-2 safe harbor. Enter code 2F if the ALE Member used the section 4980H Form W-2 safe harbor to determine affordability for purposes of section 4980H(b) for this employee for the year. If an ALE Member uses this safe harbor for an employee, it must be used for all months of the calendar year for which the employee is offered health coverage.</p>

Line 16 | Safe Harbor Codes

What did the employee do when the offer was made?
OR Why was the offer not made?

Code	Description
2G	Section 4980H affordability federal poverty line safe harbor. Enter code 2G if the ALE Member used the section 4980H federal poverty line safe harbor to determine affordability for purposes of section 4980H(b) for this employee for any month(s).
2H	Section 4980H affordability rate of pay safe harbor. Enter code 2H if the ALE Member used the section 4980H rate of pay safe harbor to determine affordability for purposes of section 4980H(b) for this employee for any month(s). Note: An affordability safe harbor code should not be entered on line 16 for any month that the ALE member did not offer minimum essential coverage, including an individual coverage HRA, to at least 95% of its full-time employees and their dependents (that is, any month for which the ALE member checked the "No" box on Form 1094-C, Part III, column (a)). For more information, see the instructions for Form 1094-C, Part III, column (a).
2I	Reserved for future use.

Note. References to 9.5% in the section 4980H affordability safe harbors and Qualifying Offer Method are applied based on the percentage as indexed for purposes of applying the affordability thresholds under section 36B (the premium tax credit). The percentage, as adjusted, is 9.86% for plan years beginning in 2019, and 9.78% for plan years beginning in 2020.

Line 17

Line 17: If the ALE Member used code 1L, 1M, 1N, 1O, 1P, or 1Q because it offered the employee an individual coverage HRA, enter the appropriate ZIP code used for identifying the lowest cost silver plan used to calculate the Employee Required Contribution in line 15. This will be the ZIP code of the employee's residence (code 1L, 1M, or 1N) or the ZIP code of the employee's primary site of employment if the ALE Member uses the work location safe harbor (code 1O, 1P, or 1Q).

Location safe harbor for individual coverage HRAs. For purposes of section 4980H(b), an employer may use the cost of self-only coverage for the lowest cost silver plan for the employee for self-only coverage offered through the Exchange where the employee's primary site of employment is located for determining whether an offer of an individual coverage HRA to a full-time employee is affordable. The ZIP code for the employee's primary site of employment is used to identify the applicable lowest silver plan to determine affordability.