

AccountMate for SQL, Express, and LAN Affordable Care Act (ACA) Reporting Program Enhancement

Q & A

Q: What are the new IRS forms for Affordable Care Act (ACA) reporting?

A: The Affordable Care Act (ACA) added section 6056 to the Internal Revenue Code which requires applicable large employers (with 50 or more full time employees or Full Time Equivalents) to file IRS forms 1095-C/1094-C on the health insurance coverage the employer offered. The small employers with fewer than 50 employees and which are self-insured must file returns (section 6055) and generally will use forms 1095-B/1094-B.

	Less than 50 FTE's (Full-time Equivalent Employee)	50 or more FTE's (Full-time Equivalent Employee)
Companies with third-party health insurance provider	No forms required for employee	1095-C to employees
	No forms required for IRS	1094-C to IRS
Companies that are self-insured or sponsors of self-insured group health plans	1095-B to employees	1095-C to employees
	1094-B to IRS	1094-C to IRS

Q: What is an FTE and is it the same as a full-time employee?

A: FTEs are calculated based on the average monthly number of hours part-time employees worked plus the number of full-time employees. Part-time employee hours are added together at the end of the calendar year and divided by 12 to determine the average monthly hours. One FTE is equal to 120 hours of average monthly employment. For example if a company has 45 full-time employees and has 7200 hours of part-time employment over 2015 (an average of 600 hours per average month) they will have exactly 50 FTEs and are required to provide forms 1095-C and 1094-C regardless of which form of health insurance is provided to their employees.

Q: Does AccountMate Payroll provides the required forms for ACA reporting?

A: AccountMate, in partnership with Aatrix, will provide the functionality for your clients to comply with the Affordable Care Act (ACA) reporting. AccountMate will be supporting forms 1095-B/1094-B and 1095-C/1094-C to fulfill the end of the year IRS reporting requirements. AccountMate will provide the data entry interface and Aatrix will provide the reporting and filing requirements.

Q: How can I get the ACA reporting program enhancement?

A: The ACA reporting program enhancement can be downloaded from the AccountMate website. Contact your AccountMate Solution Provider or Payroll Support Staff to download and install the program enhancement.

Q: How much does the ACA reporting program enhancement cost?

A: The enhancement was added to the Payroll module at no charge for users who have an active Maintenance Plan. Users who do not have an active Maintenance plan can get the enhancement for a fee. Contact your AccountMate Solution Provider or PR Support Staff for information on how to get the enhancement if you do not have an active Maintenance Plan.

Q: How can I verify whether I have an active Maintenance Plan?

A: Access Help->About AccountMate. The screen shows the Maintenance Plan expiration date. Contact your AccountMate Solution Provider or PR Support Staff if your Maintenance Plan has expired.

Q: When is the deadline for filing ACA forms?

A: The ACA forms follow the same guidelines as the W-2 and 1099 regulations.

Feb 1, 2016 – Forms 1095-B and 1096-B are due to recipients and individuals

Feb 29, 2016 – Forms 1094-B, 1095-B, 1094-C, and 1095-C paper filing are due to IRS

Mar 1, 2016 - Forms 1094-B, 1095-B, 1094-C, and 1095-C electronic filing are due to IRS

Q: Are the ACA forms available for purchase from the AccountMate Forms Division?

A: Yes, the AccountMate Forms Division have the ACA forms available for purchase. Look for announcement on AccountMate Newslines for supported forms.

Q: Do I do e-filing thru Aatrix similar to the W-2 e-filing?

A: Yes, Aatrix provides e-filing service for ACA reporting. Visit the Aatrix website for information on e-filing fees and promos.

Q: Our health insurance is renewed on August 1st of each year. In 2015 we changed our health insurance provider. So, for the first 7 months we had one provider, and for the last 5 months we have another provider. How do we account for both insurance providers on the form?

A: The Issuer or Other Coverage Provider information is only required in Form 1095-B. Form 1095-B may be filed by the following:

- a) Large employers for their non-full-time employees
- b) Small employers that are not subject to the employer shared responsibility provisions sponsoring self-insured group health plans
- c) Health insurance issuers and carriers for all insured employer coverage

It appears that the company is a fully-insured company and not self-insured; thus, the health insurance issuers and carriers will be the one filing Form 1095-B. We strongly recommend that you consult your Payroll Specialist or Human Resource Staff to verify the reporting and filing requirement.

Q: Does ACA data entry and reporting need to be done before or after W-2s are processed?

A: It does not matter. ACA forms contain different information compared with the W-2. W-2 processing does not affect ACA reporting or vice versa.

Q: Do I have to file each time I have a new employee to whom I offer coverage?

A: No, the form is an annual form and you only need to file once each year by reporting all coverage for the entire year.

Q: What if an employee does not have insurance?

A: If the employee does not have insurance because the employee declined or waived the offer, the employer must report the coverage that was offered. If the employee who qualifies for a coverage does not have coverage because the employer fails to offer coverage; then, the employer may be penalized.

Q: Do we have to enter the insurance for dependents that are not covered by the employer?

A: Part III of 1095-C must be completed *only* if the employer offers employer-sponsored self-insured health coverage in which the employee or other individual is enrolled.

Q: What happens when we hire a new employee in December after the 1094/1095 info has been entered and confirmed?

A: You can go back and access the 1094/1095 Information Update function and update the ACA info for the new employee if he/she is eligible for ACA reporting. You can easily identify employees for whom no ACA entry were saved because the record is displayed in red font.

Q: Where is the Issuer information entered on Form 1095-C? I see it on 1095-B but not on 1095-C.

A: The Issuer information is required only in Form 1095-B.

Q: If we mark the Excl (exclude) checkbox, does that mean that the employee did not accept coverage or the employer did not offer coverage?

A: The Excl checkbox is meant for employees who are not eligible for ACA reporting. If the Excl checkbox is marked, then ACA forms (e.g., Form 1095-B or Form 1095-C) will not be generated for the employee. Note that ACA reporting must still be done for employees who has coverage but chose not to accept the employer's offer of coverage. We strongly recommend that you consult your Payroll Specialist or Human Resource Staff to verify reporting and filing requirements.

Check the following links for more information:

<https://www.irs.gov/Affordable-Care-Act/Employers>

<https://www.aatrix.com/aca/>

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