2024 Flexgen

Affordable Health Care Act (ACA) Reporting Module in Payroll Guide and Year End Process

ACA Frequently Asked Questions

Rev. 10/16/2024

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Flexgen

Affordable Health Care Act (ACA)

Reporting Module in Payroll

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Introduction

The ACA reporting module in Payroll allows customers to enter reporting data, print forms, build print files for printing of forms by LGC and electronic files that can be transmitted by LGC to the IRS for compliance with ACA reporting. **However, interpretation of the law in determining what should or should not be reported is the responsibility of the employer and its designated agents, and not LGC. Furthermore, LGC is not responsible for improper, missed, or late filings and any associated fines or fees. It is your responsibility to follow up on these filings and ensure they are accurate. The filing deadline for electronic submissions is March 31, 2025.**

As you keep that in mind, there is pertinent information you will need to know to populate fields throughout the module for reporting. You will need to know if you are reporting using a B Form or C Form. The form type will determine which screens you will need to complete in the reporting module. Also, you will need to know if you are a fully insured plan or self-insured plan. If you are unsure of your plan type check with your HR/Benefits administrator, insurance provider, or designated agent. LGC cannot determine your specific plan type. Type of plan also determines whether covered individuals need to be reported. You will need to know which coverage codes and safe harbor codes (if applicable) to use for reporting on employees.

IRS Instructions and Question and Answers:

https://www.irs.gov/pub/irs-dft/i109495b--dft.pdf

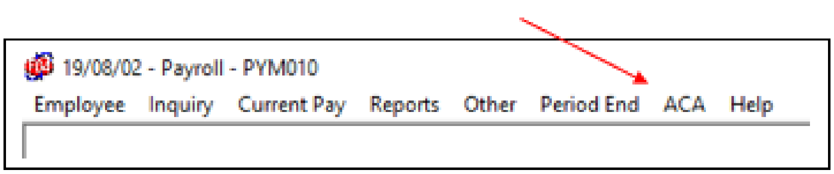
https://www.irs.gov/pub/irs-dft/i109495c--dft.pdf

https://www.irs.gov/affordable-care-act/employers/questions-and-answers-about-information-reporting-by-employers-on-form-1094-c-and-form-1095-c

If you have already established reporting in ACA, the Monthly Reporting Process in this guide will assist you in keeping your ACA up to date on a monthly basis. Keeping ACA updated monthly will lessen the amount of time spent at year end trying to get your data entered.

Reporting Module Location

The ACA Reporting Module is found under Payroll>ACA>Affordable Care Act Menu.



Maintenance

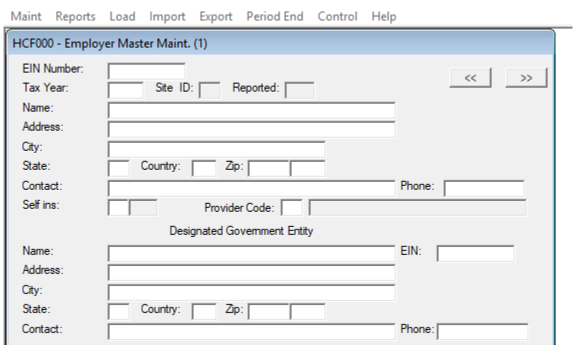
Employer Master Maintenance

Maint>Employer Master Main.

Screen 1

If you use the “Roll to New Year” process explained on page 23, it will copy your previous tax year’s information to the next tax year, and you will not need to re-enter this information for each reporting year.

If you are just starting to report ACA using the reporting module or have an EIN that has not previously been entered, you will need to complete these fields.



EIN Number: For each EIN you are reporting, you will need to complete this screen.

Tax Year: Reporting year

Site Id: This field will automatically populate with FG.

Reported: This field will automatically populate from No to Yes once the IRS Reporting>Extract ACA process has been completed. You will not be able to change this field. **If you have ran this process in error, you must contact LGC Support for assistance.**

Name: Employer name

Address/City/State/Zip: Employer address

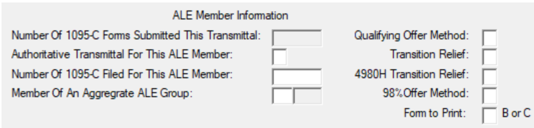
Contact/Phone: Name of person to contact and telephone number

Self-ins (self-insured): Enter 01 Yes for self-insured or 02 No if you are fully insured. If you are unsure of your plan type check with your HR/Benefits administrator, insurance provider, or designated agent. LGC cannot determine your specific plan type.

Provider Code: You must first set up a provider code before you can populate this field. Once you have set up the provider code, you can Lookup (F2) the code to populate the field. The setup of the provider code is explained on page 7.

Designated Government Entity: A Designated Entity would file on behalf of an employer. If are you not a DGE filing on behalf of an employer, leave this section blank**.** *Information regarding DGEs may be found in IRS instructions.*

ALE Member Information



An Applicable Large Employer (ALE) is any employer who employed, on average, at least 50 full-time employees (including full-time equivalents for part-time employees) on business days during the preceding calendar year. Note: You will need to place an X for the fields that apply to your reporting. All options may not apply. *For specific information regarding reporting ALE Member Information, refer to IRS instructions.*

Number of 1095-C Forms Submitted This Transmittal: The system will populate this field once the extract process for IRS reporting has been ran.

Authoritative Transmittal For This ALE Member: If applicable, populate with X.

Number of 1095-C Filed for This ALE Member: This should be the total count of 1095 forms. You must manually enter this information each year. This number can be found at the bottom of the Employee Summary Report. It is stated as “Transmittal Count.” This report is located under the ‘Reports’ panel and can be ran by SSN or Name option and must be ran including status “B” for both which will include active and in-active status.

Member of An Aggregate ALE Group: 01 YES or 02 NO

Qualifying Offer Method: If applicable, populate with X.

Transition Relief: No longer available.

4980 Transition Relief: No longer available.

98% Offer Method: If applicable, populate with X.

Form to Print: B or C. This is a required field.

B forms – Used by small employers, generally employers with fewer than 50 full-time employees, who are not subject to the employer shared responsibility provisions sponsoring self-insured group health plans.

C Forms– Used by Applicable Large Employers, generally employers with 50 or more full-time employees, who offer a fully insured or self-insured health plan, or does not offer any group health plan.

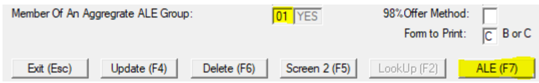
Refer to IRS guidelines “**Who Must File**.”

https://www.irs.gov/pub/irs-dft/i109495b--dft.pdf

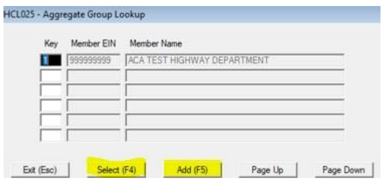
https://www.irs.gov/pub/irs-dft/i109495c--dft.pdf

Member of an Aggregate ALE Group

If your office is a "Member of an Aggregate ALE Group" and the EIN number you have entered is responsible for reporting all members within that group, Member of an Aggregate ALE Group field would need to be marked 01 YES. Also, you will need to enter each EIN member by selecting ALE (F7).



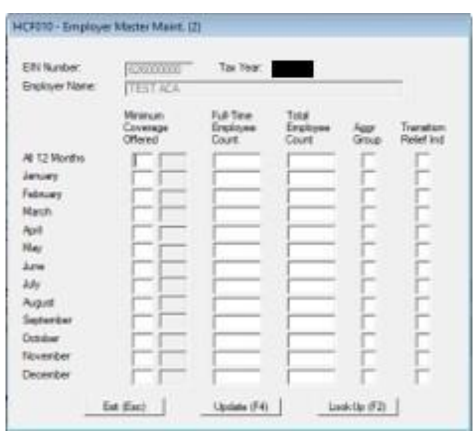
If there are other ALEs already entered and you need to add an additional one, then you will Add (F5) to add from the HCL025 – Aggregate Group LookUp. If you need to make changes to a current Aggregate Group Member then Select (F4) and make necessary changes.



For specific information regarding Aggregate ALE Group, refer to IRS instructions.

Screen 2

This screen is accessed from Employer Master Maint. Screen 2 button (F5). Screen 2 must be completed if you are filing a C form. You may choose to manually input the data into the fields or update it using the Monthly Employer Update explained on page 19.



Minimum Coverage Offered: LookUp (F2). 01 YES 02 NO *For information regarding Minimum Essential Coverage refer to IRS instructions.*

Full-Tme Employee Count, Total Employee Count: *For information regarding Full-Time Employee Count and Total Employee Count refer to IRS instructions.*

Aggr Group: If applicable, populate with X.

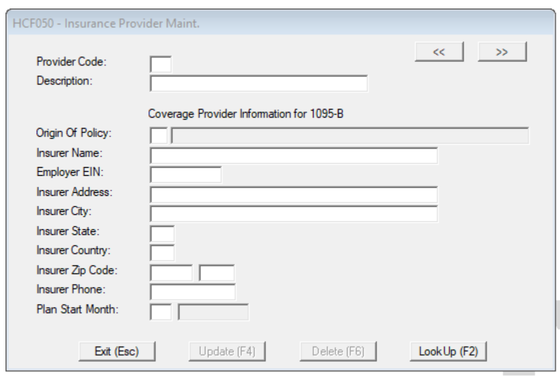
Transition Relief Ind: Transitional Relief is not available after 2016. *For additional information regarding Transition Relief refer to IRS instructions.*

Insurance Provider Maint.

Maint>Insurance Provider Maint.

The Insurance Provider Maintenance allows you to enter basic information concerning your Insurance Provider(s). Only one Provider Code can be assigned to an employee per year.

Once you have set up the Provider Code in Insurance Provider Maint., go back to the Employer Master Maint. screen and add the code to the Provider Code field.



Provider Code: Customer may assign any 2-digit number in this field.

Description: Customer may enter a description to identify each provider code.

Origin of Policy: LookUp (F2) provides LookUp of available codes and description. Select (F4) to choose code to populate field.

Insurer Name, Employer EIN, Address, City, State, Country, Zip, Phone: If self-insured, these fields would contain your information. If fully insured, these fields would contain your insurance provider information.

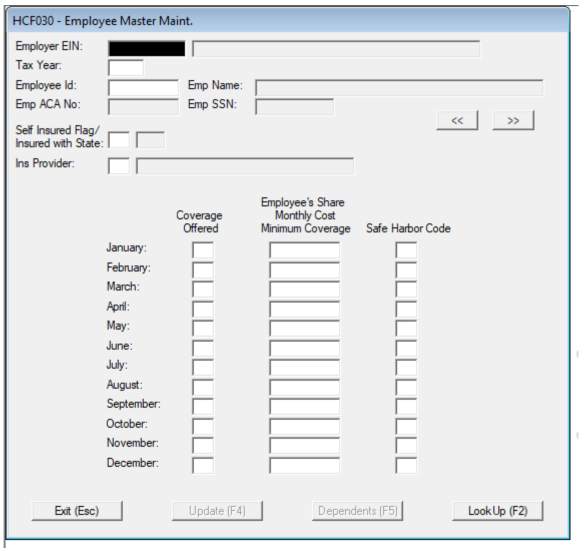
Plan Start Month: Enter month insurance plan started. Use 1-12 value for corresponding month. **This is a required field for the Form 1095-C. The Applicable Large Employer (ALE) must enter a two-digit number. If you are unsure about your plan start month, contact your insurance administrator or agent.**

Employee Master Maint.

Maint>Employee Master Main.

This menu option is used to record reportable employees and their applicable Coverage Offered Codes, Employee's Share Monthly Cost Minimum Coverage and Safe Harbor Codes. *Refer to IRS instructions for help on what applicable codes to use and reportability of employee's share of monthly cost minimum coverage.* You can manually enter your employees using this menu *or* you can load your employees using the Load process explained on page 14.

Also, Dependent Lookup and Covered Individual Maintenance screens can be accessed from the Employee Master Main. screen by using the Dependent (F5) button.

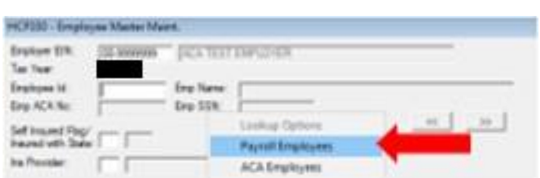


Employer EIN: Lookup (F2) to select EIN, Tax Year, Employer Name from HCL010 – Employer Master Lookup; Select (F4).

Tax Year: If you use the Lookup (F2) to select the EIN, the Tax Year will automatically populate from the EIN and Year selected in the Employer EIN field.

Employee Id: Lookup (F2) Options – Payroll Employees and ACA Employees

> ***Payroll Employees*** *pulls from your Payroll Master files.*
>
> ***ACA Employees*** *are records that have already been added to the ACA module.*



Employee ACA No: System assigns ACA number to employee.

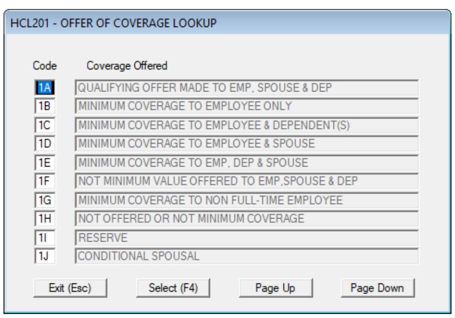
Self-insured Flag/Insured with State: LookUp (F2) 01 YES or 02 NO

If you are self-insured and filing a C form, you must mark the self-insured field as 02 NO for any employees that have waived insurance for the ENTIRE year. If the employee had insurance at least one month out of the year, you will need to either leave blank so that the system will pull from the Employer Master Maint. as 01 YES or you can mark the field as 01 YES.

If you are self-insured and filing a B form, individuals that waived insurance should not be reported in the ACA module. B forms are only used to report employees with coverage.

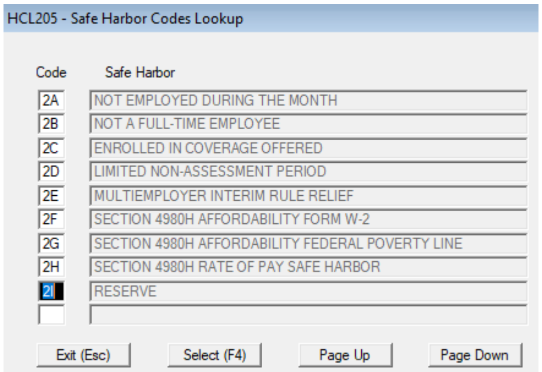
Insurance Provider Code: Only if you are a self-insured location with multiple insurance provider codes will you need to complete this field on the Employee Master Maint. screen.

Coverage Offered: Lookup (F2) to look up available codes. Select (F4). ***All employees MUST have a coverage code entered in each month even if they were not employed for the entire year. The only exception is if you are filing a B form.*** *For information on which codes to use refer to IRS instructions.*



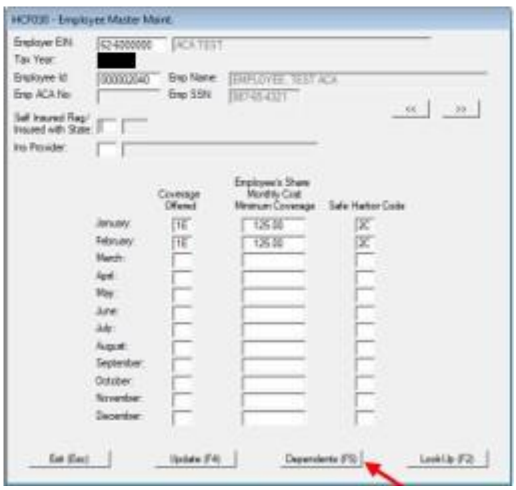
Employee's Share Monthly Cost Minimum Coverage: The amount of the employee(s) share of the lowest-cost monthly premium for self-only **minimum** essential coverage providing minimum value that is offered to the employee. Enter the amount including any cents. If the employee is offered coverage but is not required to contribute any amount towards the premium, enter "0.00". *This amount may 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. Refer to IRS instructions for additional information.*

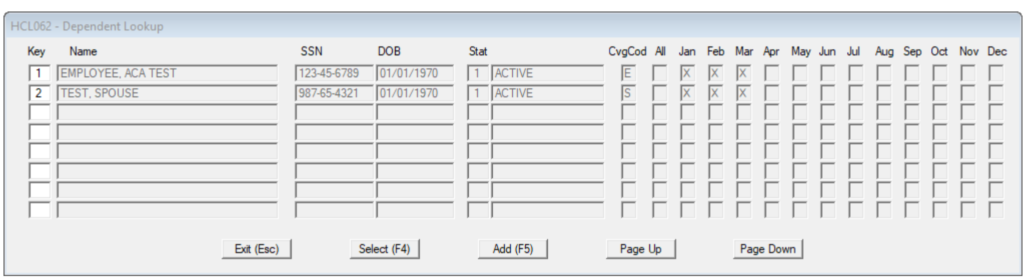
Safe Harbor Code: Lookup (F2) to look up available codes. Select (F4). *For information on which codes to use and if applicable refer to IRS instructions. Also note per the IRS instructions for a "C" form, there is no code to enter to indicate that a full-time employee offered coverage either did not enroll in the coverage or waived the coverage.* https://www.irs.gov/pub/irs-dft/i109495c--dft.pdf



Dependent Lookup and Covered Individuals Maintenance

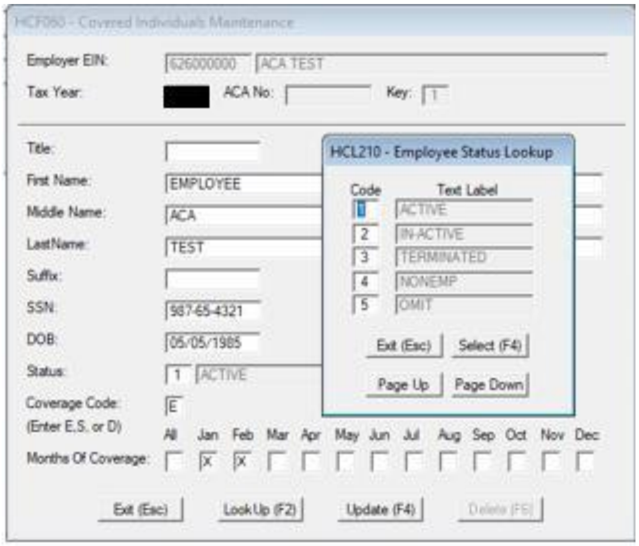
Dependent Lookup and Covered Individual Maintenance screens can be accessed from the Employee Master Main. screen using the Dependent (F5) button.



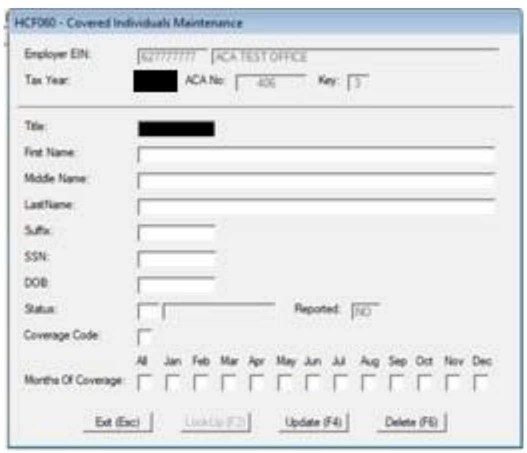


Whether or not you report covered individuals depends on the type of insurance plan you have. Self-insured plans report covered individuals. Fully insured plans do not report covered individuals.

From the Dependent Lookup screen, you can Select (F4) and maintain existing covered individuals on the Covered Individuals Maintenance Screen.



Or, Add (F5) a new covered individual.



Fields for the dependent(s) information include:

- Name
- SSN
- Date of Birth
- Status – Lookup (F2)
- Coverage Code – Valid Entries are E -Employee, S – Spouse, D – Dependent

For reporting purposes, the dependent record must have either the SSN or Date of Birth listed.

Status Codes:

1 Active – Employee and/or dependent is currently active and will be rolled to new year and will be updated during the 'Monthly Employee Update'. This status will generate a 1095 Form and will be reported to the IRS on the 1094 file.

2 Inactive – Employee and/or dependent is currently inactive and will not be updated during the 'Monthly Employee Update'. This status will allow the employee to roll into the new year, but the status will then change to 'Omit' for the new year. This status will generate a 1095 Form and will be reported to the IRS on the 1094 file.

3 Terminated – Employee is currently terminated and will not be updated during the 'Monthly Employee Update'. This status will allow the employee to roll into the new year, but the status will then change to 'Omit' for the new year. This status will generate a 1095 Form and will be reported to the IRS on the 1094 file.

4 Non-Employee – Use to report Non-Employees for ACA reporting. This status will not update during the 'Monthly Employee Update'. This status will generate a 1095 Form and will be reported to the IRS on the 1094 file.

5 Omit – This status will **not** roll to the new year and will not update during the 'Monthly Employee Update'. This status will **NOT** generate a 1095 Form and will **NOT** be on the 1094 file to the IRS. This status is for LGC purposes.

Adding Non-Employees

To determine if you have anyone that should be reported by your office as a Non-Employee, review the IRS instructions for 1095 Forms or consult with your support agencies.

Add the Non-Employee to your System

In some cases, these Non-Employee records will already exist since they were previously employed in your office. For example, a retired employee from a previous year. For the Non-Employees that do not exist within your system you will need to input their information.

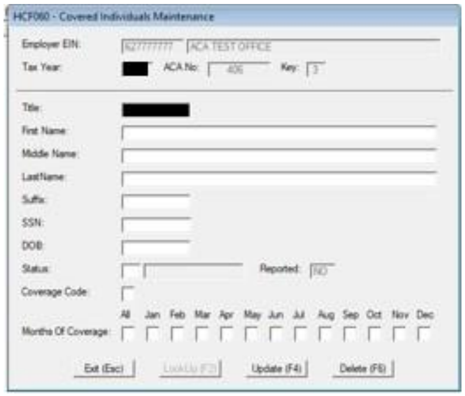
You will add the Non-Employee to the Employee Master **only.** Employee Master is located under Payroll >Employee>Employee Master.

The basic information is required such as *last name, first name, middle initial, address, SSN, sex: male or female, date of birth*, and the rest of the required fields can be marked as "no" as they do not apply. Select Update (F4) button when finished. The system will display the *Payroll Master* screen. Since the payroll master doesn't apply to the person you are adding, select the ESC button. The final screen will be a *"pop up"* box for entering other information. You will select *"exit"* to come out of the *Employee Master screen*.

Adding Non-Employee to the ACA module.

Once you have added the Non-Employee under the Employee Master in Payroll, you would then add them manually in ACA using the same process of manually adding an employee. Refer to Employee Master Maint. on page 8.

From the Dependent Lookup Screen, you can use the Add (F5) button to add covered individuals on the Covered Individuals Maintenance Screen.



Also, each month a dependent is covered by the insurance plan an X should be placed in the appropriate month(s) in Months of Coverage field. For example, if a spouse was covered by your plan January through April but then dropped the coverage for May, you would have X under January, February, March and April. All the other months should be blank.

Reports

Several report options are available. These reports can be displayed/printed by SSN or Name and by Active, Inactive or both per SSN or Name selection. Summary reports are a one-line report of all employees under a certain EIN number. Detail reports will show all information entered for each Employee.

Employee Monthly Edit Report

This report will allow you to view all records that are missing Coverage Information such as *"Coverage Offered, Employee's Monthly Cost and Safe Harbor Code."* Some of the fields may not be required and may not need to be entered. *Refer to IRS instructions for help on applicable codes and reportability of employee's share of monthly cost minimum coverage.* Note: If you enter 0.00 for the lowest-cost monthly premium you will see these employee(s) on the edit report. This would be to confirm its accuracy.

Emp Edit Report Thru Month

This report will allow you to view all records that are missing Coverage Information such as *"Coverage Offered, Employee's Monthly Cost and Safe Harbor Code"* through a certain month. The Employee Monthly Edit Report will check the entire year. Some of the fields may not be required and may not need to be entered. *Refer to IRS instructions for help on applicable codes and reportability of employee's share of monthly cost minimum coverage.*

Hourly Employees Report and Hourly Employees Report By Location

Hourly Employees Report and Hourly Employees Report by location allow you to measure hours worked based on number of weeks entered. Only hours entered at the time the payroll is processed will be referenced in this report. If no hours are entered it will return zero hours.

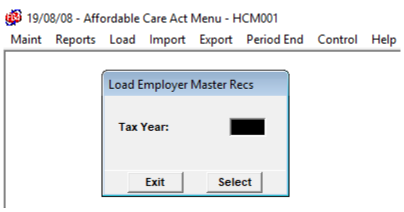
Load

If you did not use the software for last year's ACA reporting, you will load the employer and employee steps as noted below.

Load Employer Master Recs

Payroll > ACA > Affordable Care Act Menu> Load > Load Employer Master Recs

This process will review your payroll control records for each existing EIN number(s) and pull the information into the "Employer Master Maint." within the ACA module. This information is the control information for the *1094-C for Employer.* After selecting the *"Load Employer Master Recs"* the system will display a field to enter the "*Tax Year*". After entering the *"Tax Year"* and answering yes to *"Is the Screen Correct?"* you will be returned to the main menu. This is a quick process without a display or additional information referenced.



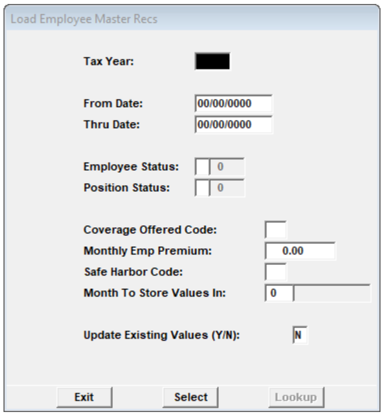
To verify the information that was automatically loaded in the *"Employer Master Maintenance"* go to *Payroll > ACA > Affordable Care Act Menu> Maint. > Employer Master Maint.* Corrections may be made on this screen if necessary.

Load Employee Master Recs

Payroll > ACA > Affordable Care Act Menu> Load > Load Employer Master Recs

This process will review your payroll master records and pull the information into the "Employee Master Maint." within the ACA module based on the criteria selected. This information is used for the control information for the *1095 for Employee(s). This process can be used for the initial load of all employees, to update a new employee to the ACA module and overwrite existing information that was entered in error.* You can also enter your employees manually using the *Employee Master Maint. screen.*

Depending on the coverage offered to your employees and if Coverage Offered Codes and Safe Harbor Codes are different for several of your employees, then you may want to consider if the load process is the best choice for your office. Two choices: (1) Load all the full-time employees and part-time equivalent employees and correct the employee records that should be referenced with different Coverage Offered Codes and Safe Harbor Codes. The information can be manually changed under the Employee Master Maint. screen. (2) You can choose not to use this feature and add the employees manually under the Employee Master Maint. screen.



Tax Year: Enter appropriate tax year. If you have used the software for the prior tax year reporting, you can roll your employee's information from one year to the next and you will only need to load in new employees for the year.

From Date/Thru Date: Enter the hire from and thru date for which you wish to load employees.

Employee Status: Use Lookup button to look up status and tag the appropriate status(s).

Position Status: Use Lookup button to look up status and tag the appropriate status(s).

Coverage Offered Code: Use Lookup button to look up available codes. Select (F4). All employees MUST have a coverage code entered in each month even if they were not employed for the entire year. Only exception is if you are filing a B form. *For information on which codes to use refer to IRS instructions.*

Employee's Share Monthly Cost Minimum Coverage: The amount of the employee(s) share of the lowest-cost monthly premium for self-only **minimum** essential coverage providing minimum value that is offered to the employee. Enter the amount including any cents. If the employee is offered coverage but is not required to contribute any amount towards the premium, enter "0.00". *This amount may 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. Refer to IRS instructions for additional information.*

Safe Harbor Code: Lookup (F2) to look up available codes. Select (F4). *For information on which codes to use and if applicable refer to IRS instructions.*

Month to Store Values In: Enter 1-12 value for corresponding month.

Update Existing Values (Y/N): Y – Yes, to update existing values on Employee Master Records. N – No will not update existing values on Employee Master Records.

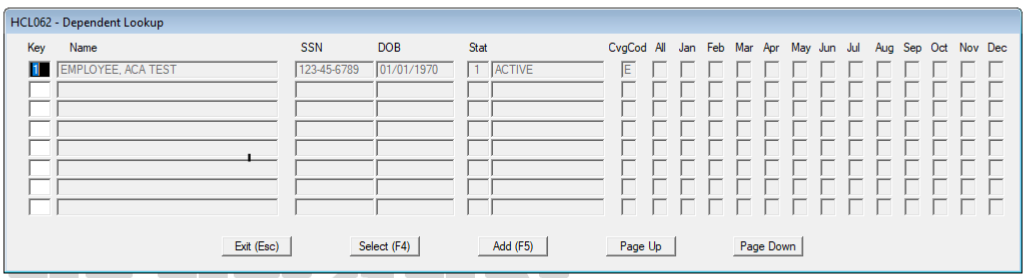
Import

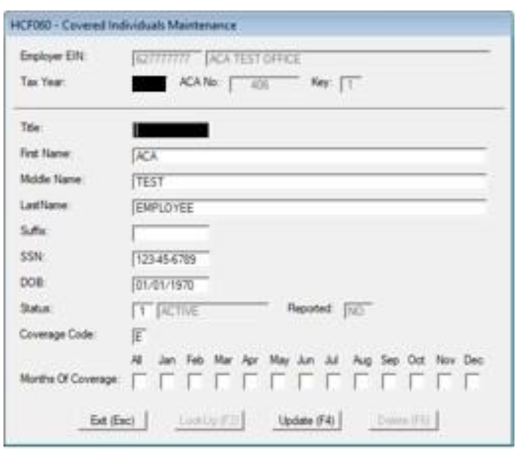
Payroll > ACA > Affordable Care Act Menu>Import

State Edison Import (*Edison Import Covered Ind.*)

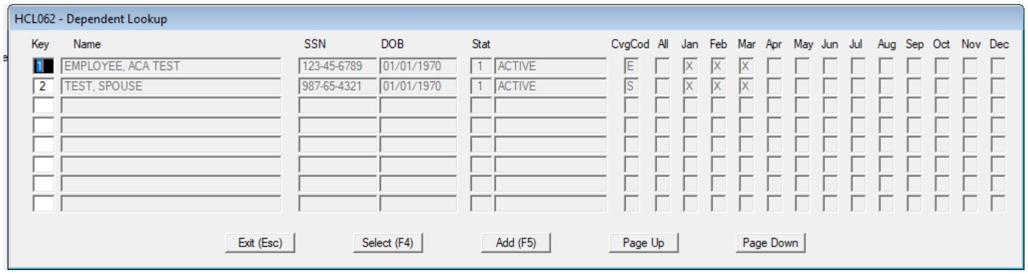
State Edison Import process uses the *Edison file (PPACA)* that a customer retrieves from the Edison website, using their existing file layout and updates each individual employee(s) record with the dependent(s) information and the month(s) of coverage per dependent(s) by placing an X within the covered month on the Covered Individuals Maintenance screen. However, it will not update the Coverage Offered Codes, Employee's Share Monthly Cost Minimum Coverage Amount, or Safe Harbor Codes as this information is not available within the Edison File. The employee(s) will need to exist within the *ACA Employee Master* for the information to be updated. The "Load Employee Master Recs" process would need to be ran first before executing this process or the employees manually added to ACA. Note: You must have the State's insurance to use this import process.

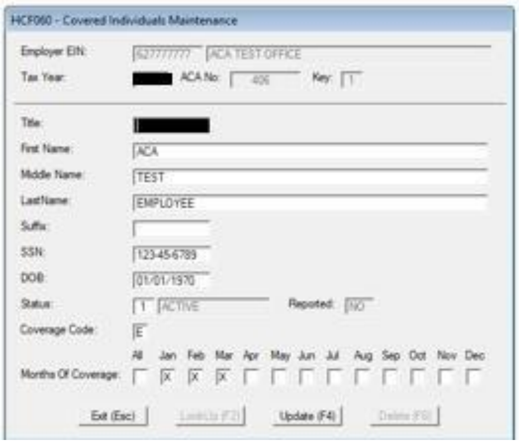
Example Dependent Lookup and Covered Individuals Maintenance Screen Before Import Process

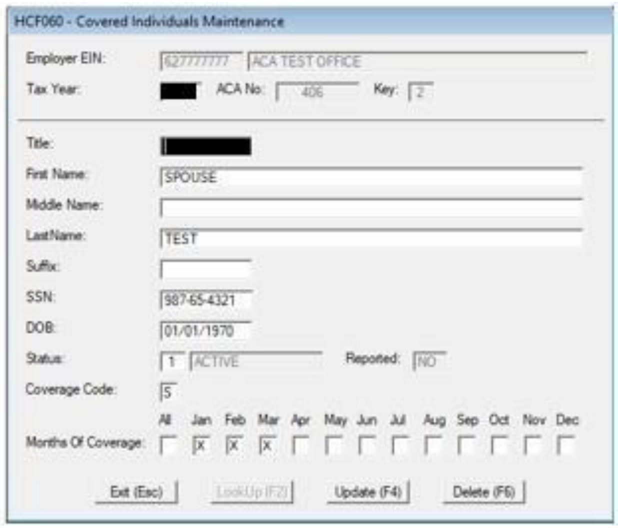




Example Dependent Lookup and Covered Individuals Maintenance screen after Import Process







State Edison Import Process (*Edison Import Covered Ind*).

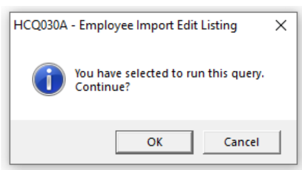
Make a backup of files prior to import.

1) Save Edison file as tab delimited format and use a short name. Exclude any spaces in the name.
2) Choose from reporting module menu: Import>Edison Import Covered Ind (You will need to know the location of where the Edison file was saved prior to importing. Ex: L:\LGC\Diskcopy\EdisonFile.txt)
3) Select the drive/location the file is located. In this example, the file is located under C drive and folder named "diskette."

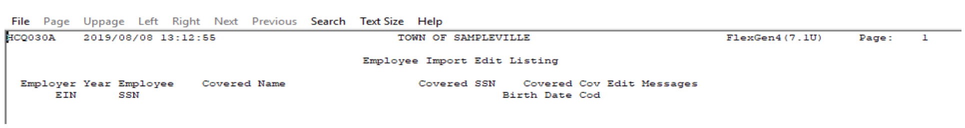
4) Select the file to import and then hit the OK button. In this example the file name is EdisonFile.txt.

5) Enter the Employer EIN and Tax Year (or Lookup F2) you wish to import then choose Select button. You will be asked, "Is the screen correct?" Choose Yes or No. If you choose yes, the system will state "You have selected to run this query. Continue?" "Ok" will scan the ACA Employee Master for an employee's SSN that is listed under the EIN selected. If at this point you wish to not import, choose cancel.

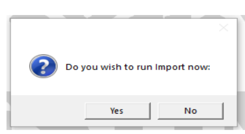




6) After the scan is complete, the screen will display a report "Employee Import Edit Listing" to show all records included in the file that are not on the ACA Employee Master. Click "OK" to display the report. The report will be blank if all records will be imported.



7) After the report is viewed, the last box listed will say, "Do you wish to run Import now?" Yes or No. If you answer "no" nothing will be imported into the ACA Employee Master Maintenance and the system will take you out of the menu. If you answer "yes" the information within the file will be imported into the ACA Employee Master Maintenance and the system will take you out of the menu.

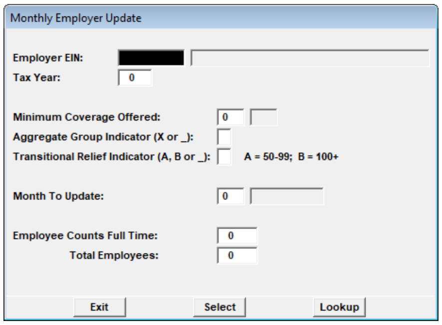


Period End

Month End

Monthly Employer Update

Payroll > ACA > Affordable Care Act Menu> Period End > Monthly Employer Update



This process is a mass way to update the monthly fields located on the second screen of Employer Master Maint.

If you have multiple Employer EIN numbers, monthly totals for each EIN should be reported. The system will generate "*Employee Counts for Full Time*" and "*Total Employees*" based off your payroll. First, this option will review the check history for the month entered, pulls in the total of employees that are marked as a "full-time employee" and "*received pay within that month*" to give the total number for "*Employee Counts for Full Time*" employees. Next this option will review the check history for the month entered, pulls in the grand total of employees that "*received pay within that month*" regardless of full or part time status.

NOTE: The numbers calculated may not be the exact number that should be reported. For example, employee(s) that are flagged part-time within your payroll files but are "*Full Time Equivalent Employees*" should be counted under the "*Employee Counts for Full Time*", yet the system will not include them within the counts displayed. You may edit the numbers in the fields accordingly. If you run this process at the end of the year and have made status changes such as terminated or changed from full time to part time and vice versa the report will not be correct.

Employer EIN: Lookup to select EIN, Tax Year, Employer Name from Employer Master Lookup; Select (F4).

Tax Year: Tax Year will automatically populate from the EIN selected in the Employer EIN field.

Minimum Coverage Offered: Lookup and choose 01 YES or 02 NO. *For information regarding Minimum Essential Coverage refer to IRS instructions.*

Aggregate Group Indicator: If applicable, populate with X. *Refer to IRS instructions for applicability.*

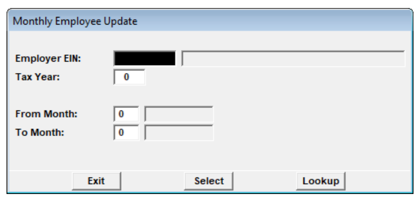
Transitional Relief Indicator: Transitional Relief is no longer available after 2016. *For additional information regarding Transition Relief refer to IRS instructions.*

Month to Update: Enter 1-12 value for corresponding month.

Monthly Employee Update

Payroll > ACA > Affordable Care Act Menu> Period End > Monthly Employee Update

This process is a mass way of updating all employees' current reporting month by copying the previous month's coverage offered code, employee's share monthly cost minimum coverage, and safe harbor. If no changes are to be made to these fields, this can be an easy way to update all employees' records from month to month.



Employer EIN: Lookup to select EIN, Tax Year, Employer Name from Employer Master Lookup; Select (F4).

Tax Year: Tax Year will automatically populate from the EIN selected in the Employer EIN field.

From Month: Enter the month you want to copy from. Use 1-12 value for corresponding month.

To Month: Enter the Month you want to copy to. Use 1-12 value for corresponding month. Then Select button.

For the best results of this process, you need to do the initial load of employees. The load will add your new hires. Look over your reports in the reporting menu and **MAKE SURE** every employee that needs to be reported for January is on your reports with all the necessary information including months of coverage for employees and dependents if applicable to your office. Dependents can be imported by following the instructions listed further down in this document. **If you have employees on the list that should not be there, then those employees MUST be marked as 'OMIT'.** Making sure that January is correct will make the rest of the year's process easier. You will then copy to the month of February and then load the employees hired in February, if any were hired. Again, check your reports to verify that everyone that should be on the reports for February are listed. Then continue through the year with loading the employees for the month, check the reports, and then copying that month to the next. All employees will need a coverage code for every month of the year regardless if they worked for your office or not. The only exception is if a B form is filed. If you have months that no one was hired, then there is no reason to run the load process for those months.

Year End

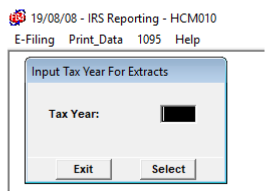
IRS Reporting

E-Filing

ACA>Period End> IRS Reporting>E-Filing>Extract ACA Information

This step will create the files necessary to print all ACA forms and the electronic file for LGC to submit to the IRS. If you are printing your own forms or if LGC is printing your forms, this first step, E-Filing>Extract ACA Information must be completed.

First, enter the current tax year and then hit select. You will answer “YES” to the question, “Is this screen correct?”



Secondly, you will select Employer Beginning and Ending EIN range (LookUp F2 available) then hit select. **If multiple EIN’s are to be reported, the Beginning and Ending EIN range should include all EIN’s so the file created will contain information for all EINs.**

The following files will be created in the FILES\W2FILES DIRECTORY

1094B-202X.txt
1094BFILE-202X.txt
1094C-202X.txt
1094CFILE-202X.txt
1095B-202X.txt
1095BFILE-202X.txt
1095B-202X.txt
1095BFILE-202X.txt
COVIND-202X.txt
COVINDFILE-202X.txt

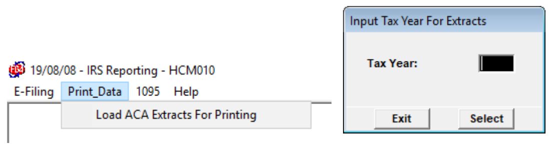
If LGC is printing your forms, follow instructions on page 24 in the Year End Instructions.

Print Data

If you are printing your own forms, complete the following steps.

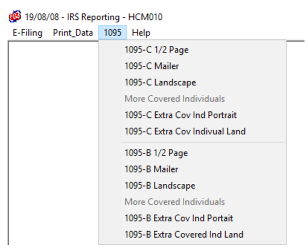
1) You must first complete the E-filing>Extract ACA Information step prior to starting this process. (refer to previous page for instructions).

2) Then go to Print Data> Load ACA Extracts for Printing and enter the tax year and hit select. You will answer “YES” to the question, “Is this screen correct?” This step will run quickly and bring you back to the menu once complete.



3) Then go to 1095 and select the appropriate option for the form needed. The 1095 forms will hold up to 6 covered individuals. Continuation forms are used when total covered individuals exceed 6. You will be prompted for a message “continuation forms” are needed.” Employee Beginning and Ending range is available to select from Lookup(F2).

1095 Form Printing Options



1095-C 1-up Laser form **(If printing this form, must file electronically)**

- Select the 1095-C ½ Page on the ACA 1095 menu for this form

1095-C Mailer **(If LGC is printing, this form will be used. Must file electronically)**

- Select the 1095-C Mailer on the ACA 1095 menu for this form

1095-C Standard Laser **(If filing fewer than 250 forms, can be submitted by paper to IRS)**

- Select the 1095-C Landscape on the ACA 1095 menu for this form

1095-B 1-up Laser form **(If printing this form, must file electronically)**

- Select the 1095-B ½ Page on the ACA 1095 menu for this form

1095-B Mailer **(If LGC is printing, this form will be used. Must file electronically)**

- Select the 1095-B Mailer on the ACA 1095 menu for this form

1095-B Standard Laser **(If filing fewer than 250 forms, can be submitted by paper to IRS)**

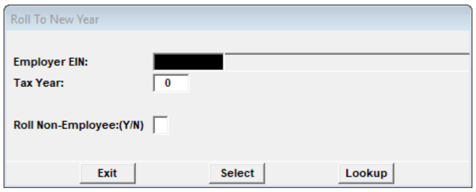
- Select the 1095-B Landscape on the ACA 1095 menu for this form

Year End

IRS Reporting

Roll to New Year

ACA>Period End>Roll to New Year



This process will take the existing Employer, Employee and Dependent information from the previous calendar year and roll it into a new calendar year. This will copy the Coverage Offered, Employee's Monthly Minimum Coverage, and Safe Harbor Code fields from December of the previous year to January of the current year. If you have multiple Employer EINs, this process must be ran for each EIN that you want rolled to the new year.

Prior to running this process, review your employee and dependent status codes. If an employee left during the tax year and you do not need them to roll to the next tax year with an active status, make their status as 2 inactive or 3 terminated. When the rolled process has been completed, the employee will then show as 'omit' for the new year. Omit will not roll to the new year the following year.

YEAR END INSTRUCTIONS

Please read the following steps carefully.

Prior to printing your forms or having LGC print your forms, it is imperative you review the reports in your ACA Module carefully, complete all screens as necessary and populate required fields. Incomplete or missing fields may delay processing due to having to extract new files once fields are completed.

For instructions on creating the ACA Electronic File and printing forms refer to IRS Reporting on page 21. If you are printing your own forms or if LGC is printing your forms, the first step, E-Filing>Extract ACA Information must be completed.

If LGC is only printing your ACA Forms and not W-2 Forms

You will create the files needed by going under the ACA, Affordable Care Act Menu, Period End, IRS Reporting, E-Filing, Extract ACA Information. Once you have created the file then you can call LGC and request the Software Deployment Department, informing the receptionist you are ready to have the ACA files pulled for printing. If an employee can take your call at the time, you will be asked to allow us remote connection (BOMGAR, TeamViewer, etc.) to transfer the files. If an employee is unavailable, you may be asked to leave your name for an employee to call you back shortly.

If LGC is printing your ACA Forms AND W-2 Forms

If LGC is printing BOTH forms (ACA and W2) we will print and ship the forms as they are processed (shipments may come separately for ACA/W2). The latest date for accepting data to print will be **January 19, 2024.** Once you have your ACA and/or W2 files ready, you can call LGC and request the Software Deployment Department, informing the receptionist you are ready to have your files pulled for printing. If an employee can take your call at that time, you will be asked to allow us remote connection (BOMGAR, TeamViewer, etc.) to transfer the files. If an employee is unavailable, you may be asked to leave your name for an employee to call you back shortly.

ACA File submittal to the IRS

Regardless if you elect for LGC to print your 1094/1095 B or C forms, LGC will submit the electronic file at no cost to you to the IRS. The IRS filing deadline for ACA forms electronically is **March 31, 2025**. (LGC will NOT be filing W2's electronically this year but we will be filing ACA forms). Note, if you are printing your ACA forms and elect to have LGC submit the ACA electronic file to the IRS, you must contact LGC and request the Software Deployment Department, informing the **receptionist you are ready to have your ACA files pulled for submission to the IRS. The deadline for LGC to pull the files is January 17, 2025.**

Note: ACA forms are due to the employee by March 1, 2025.

Year End Checklist

Before creating your ACA Extract

□ Review reports to ensure accuracy of data entered on employees and their dependents if applicable.

□ “Form to Print” field must be populated on Employer Master Maint. screen.

□ Check to see the appropriate status codes are entered on employees and their dependents if applicable.

If you are a C form filer:

□ The number of 1095-C Filed for this ALE Member must be manually entered.

□ If Authoritative Transmittal for ALE Member, the box must be populated with “X” on Employer Master Maint. screen

□ Screen 2 of the Employer Master Maint. screen must be completed.

□ All employees must have a coverage offered code entered in each month <u>even</u> if they were not employed for the entire year. ***The only exemption is if filing a B form.***

□ If you have employees in ACA that should not be reported, those employees MUST be marked as ‘OMIT’ status.

□ The **provider code** must be entered on Employer Master Maint. screen. The insurance provider must also contain the **Plan Start Month**.

□ **If self-insured,** any employees that **waived coverage for the entire year** must have their self-insured flag marked 02 No.

□ **If self-insured,** any employees and applicable dependents that had insurance coverage must have their month(s) of coverage marked.

□ **If self-insured,** the dependent record must have either the SSN or Date of Birth listed.

If you are a B form filer:

□ **If you are self-insured**, individuals that waived insurance should not be reported in the ACA module. B forms are only used to report employees with coverage.

□ The **provider code** must be entered on Employer Master Maint. screen.

ACA TIN Errors and Other Reporting Issues

ACA TIN Errors

If you have elected LGC to electronically file your ACA reporting with the IRS, you will be notified if your file has an Accepted status or Accepted with Errors status. The most common error is the "TIN Validation Error." TIN stands for taxpayer identification number, e.g. social security number. If your file contains TIN validation errors, this means there is a disconnect between the naming convention in the Social Security Administration (SSA) database and the information provided on the electronic file for either the employer, employee or dependent(s) if applicable.

A common reason for mismatch is when someone changes his or her last name, for example marriage purposes, and either updates Social Security Administration (SSA) but did not update the employer or updates the employer and not SSA. As a result, there is a mismatch between what SSA has on file and what was submitted on the electronic file created in the ACA reporting module. Many customers view Social Security Cards to make sure their software data matches with what is on the card.

Some employers use the Department of Homeland Security's E-Verify system to verify employee information. https://www.e-verify.gov/

Refer to IRS publication 1586 Missing and Incorrect Names/TINs Errors for additional information on ACA TIN Errors. https://www.irs.gov/pub/irs-pdf/p1586.pdf

Other Reporting Issues

Names and addresses cannot have double spaces between letters and numbers.

Street names cannot contain special characters like forward slash. Example: 100 1/2 Any Street would need to be spelled out as 100 One Half Any Street.

IRS does not allow apostrophes, commas, ampersand, or periods in names or addresses. Examples: Mt. Juliet would need to be spelled out as Mount Juliet, Rd. would need to be Rd or spelled out as Road or Renee' would need the apostrophe left off the name.

Refrain from using titles such as in Mr., Mrs., and Ms. in Payroll and ACA reporting modules. Title and Suffix fields should only be used if part of the employee's legal name on file with Social Security Administration (SSA). If you have any titles such as these, remove them from your employee's Covered Individual Maintenance screen.

When you establish a new employee into the ACA reporting module, either by manually adding them or by the load process, the employee's name is the same name as reported on the Employee Master screen located in Payroll>Employee>Employee Master. Refer to Social Security guidelines on Names and Social Security Numbers as to how employees should be reported for payroll records. Per these guidelines, the employee's name and SSN should be what is on his or her social security card and what is on file with Social Security Administration.

https://www.irs.gov/pub/irs-pdf/p15.pdf.

https://www.ssa.gov/employer/critical.htm

If you change an employee's name or date of birth on the Employee Master for Payroll, you will need to correct this information in ACA as well by updating it on the Covered Individual Maintenance screen. You do not need to create a new record with the corrected information. Instead, you will modify the existing record in ACA with the appropriate information. Under Payroll > ACA > Affordable Care Act Menu> Maint. > Employee Master Maint. select the Employer EIN and on the Employee Id field use the F2 Lookup Button and select under ACA Employees the employee that has a correction. Then access using the Dependent Lookup screen by using the Dependent Button (F5). From the Dependent Lookup Screen, you can Select (F4) the individual to maintain and make the necessary corrections. Once the change has been made use the Update (F4) button to save the change. You will follow this same process to make a change on a dependent's information.

If you have an employee that is in ACA that should not be reported, you will need to mark their Status field on the Covered Individuals Maintenance screen as 5 Omit. You will not be able to delete them.

If you have a dependent that you need to delete, you may use Delete (F6) option on the Covered Individual's Maintenance screen <u>only</u> if they have never been reported in previous tax years. If they have been reported in previous tax years and do not need to be reported in the current tax year, mark them as 5 Omit in their status field. However, if the extract process has been done for printing and/or submission of the electronic file to the IRS you will not be able to Delete (F6) a dependent. You would need to mark their Status field on the Covered Individuals Maintenance screen as 5 Omit.

Using a Monthly Process

Once you have established reporting using the ACA Module, we strongly recommend using the following monthly process. If you have not already started, you can start with January at any point in the year to catch up to the current month. By using the monthly process, you have time to resolve any issues before it is the end of the year when you are trying to meet reporting deadlines.

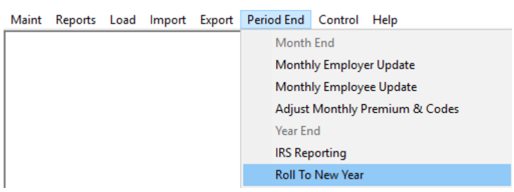
If your location has insurance through the State of Tennessee Benefits Administration, there is an export from the Edison program that will give you a file that can be imported in to the LGC software that will provide the employees' and dependents' information along with the coverage months. This process is explained in State Edison Import Process in this guide. If you would like assistance with that process let us know and we can help you. We suggest you run the import process monthly or at least once per quarter.

Also, there are edit reports that are listed under the Report menu to help assist in making sure all information needed is entered on the employees and their dependents (if applicable).

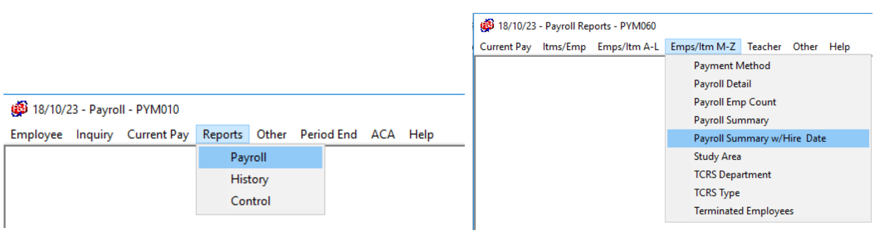
Monthly Reporting Process

1) If you do not have a current ACA year you can go to Period End > Roll to new year

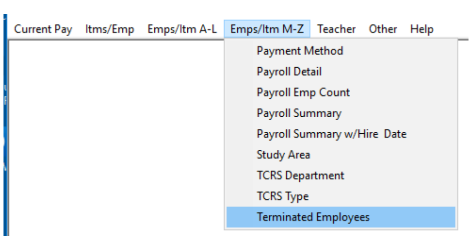
    This will roll all the information in the latest year available to the next year.



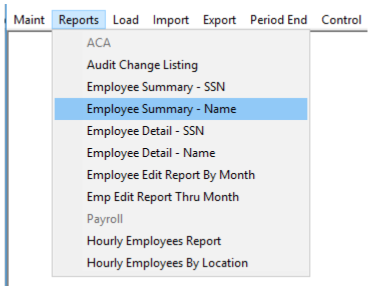
2) Go to reports > payroll > Emps/ Itm M-Z > Payroll Summary w/ Hire Date
    a. Pull this for each month at a time. Jan, Feb, March, etc.



3) While in the Reports > Payroll > Emps / Itm M-Z go to Terminated Employees and run a report per month.

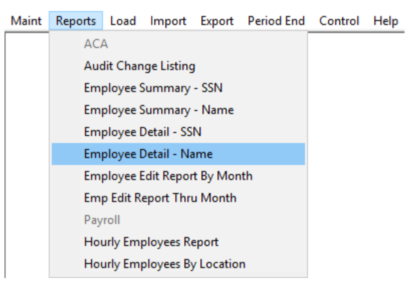


4) Go to the ACA > Reports > Employee Summary – Name



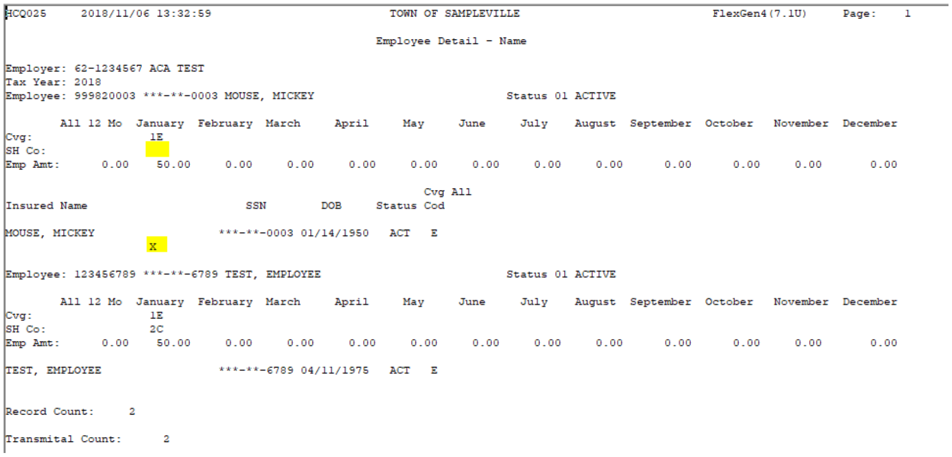
a. By printing or displaying the list, check the listing of employees and the status to make sure everyone that should have rolled from the previous tax year to the current tax year are listed and have the correct ACA status.
    i. If you had someone that terminated in the previous tax year, they should be in current tax year as status of Omit. The next reporting tax year, the omitted employee will drop from your list.
    ii. If the person is not showing as omit you will have to manually correct the status to show Omit. Instructions for changing status are listed on step 6.

5) Go to the ACA > Reports > Employee Detail – Name



a. Check the report to make sure everyone listed in January has the coverage offered, correct safe harbor codes, correct premium, and the correct x's for coverage.
    i. For example, notice in the screen shot below that the employee Mickey Mouse has an "x" for coverage month on the month of January, but he does not have a safe harbor of 2C. If there is an appropriate safe harbor code, you need to put that in place.

If you notice any information that is incorrect in January, you need to go ahead and go to the employee master maintenance screen for the employee for the year you are working and get that information corrected. If you correct it now, then during the monthly employee update process the correct information will flow through the rest of the year during the update. Information on the employee master maintenance is listed in step 6.



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HCQ025     2018/11/06 13:32:59                         TOWN OF SAMPLEVILLE                          FlexGen4(7.1U)     Page:     1

                                                     Employee Detail - Name

Employer: 62-1234567 ACA TEST
Tax Year: 2018
Employee: 999820003 ***-**-0003 MOUSE, MICKEY                                   Status 01 ACTIVE

        All 12 Mo  January  February  March     April     May     June     July     August  September  October  November  December
Cvg:                 1E
SH Co:
Emp Amt:      0.00    50.00     0.00     0.00     0.00     0.00     0.00     0.00     0.00      0.00      0.00     0.00      0.00

                                                              Cvg All
Insured Name                          SSN        DOB     Status Cod

MOUSE, MICKEY                  ***-**-0003 01/14/1950   ACT   E
                     X

Employee: 123456789 ***-**-6789 TEST, EMPLOYEE                                  Status 01 ACTIVE

        All 12 Mo  January  February  March     April     May     June     July     August  September  October  November  December
Cvg:                 1E
SH Co:               2C
Emp Amt:      0.00    50.00     0.00     0.00     0.00     0.00     0.00     0.00     0.00      0.00      0.00     0.00      0.00

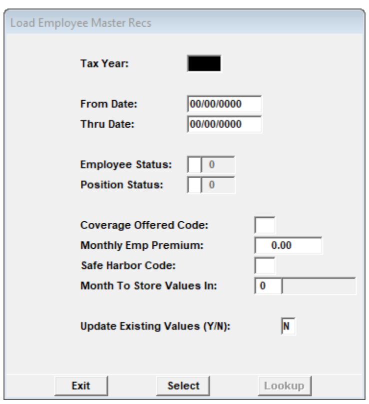
TEST, EMPLOYEE                 ***-**-6789 04/11/1975   ACT   E


Record Count:      2

Transmital Count:      2
```

6) Once you know that everyone in January is correct, you are ready to start adding the new employees. You may choose to manually enter the new employees using the Employee Master Maintenance or use the Load Process.

To use the load process, Go to Payroll > ACA > Affordable Care Act Menu> Load > Load Employee Master Recs.



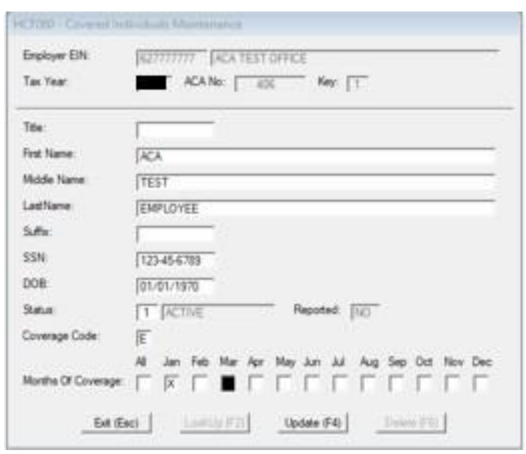
Enter in your reporting tax year. The ‘From Date’ and “Thru date’ is the date of hire range. Since we suggest a monthly process, you would enter a month range for example 01/01/20XX – 01/31/20XX. Select the employee status and position status for those that you wish to load into the ACA. Enter in the coverage offered code that you want loaded on the new hires when they load into ACA, along with the monthly employee premium and safe harbor code (if applicable). Enter month to store value in. In our example month ran we used January hire range so we would use January as month to store value in as well. Then to update, you enter Y to update existing values and click select or hit F4. After you have ran this process, you will then want to take your Payroll Summary w/Hire Date Report and look them up under Employee Master Maint. under ACA employees to ensure load.

Also, on the Employee’s Master Maint. record if you are a self-Insured location and the employee took insurance that box should be marked as 1 Yes or left blank because this information will flow in from the employer master maintenance. If you are a self-Insured location and the employee WAIVED coverage the Self-Insured Flag / Insured with State box should be marked with a 2 NO. You **MUST** mark this with a 2 if the employee **waived coverage**.

Remember every employee needs a coverage code regardless if they were employed there all year or not unless you file a B form. If you have an employee that starts later in the year than January, you will still need coverage codes in January and any other previous months.

If you are a self-insured location, you will then click on the Dependents (F5) button from the Employee Master Maint. to the Dependent LookUp and Covered Individuals Maintenance Screen.

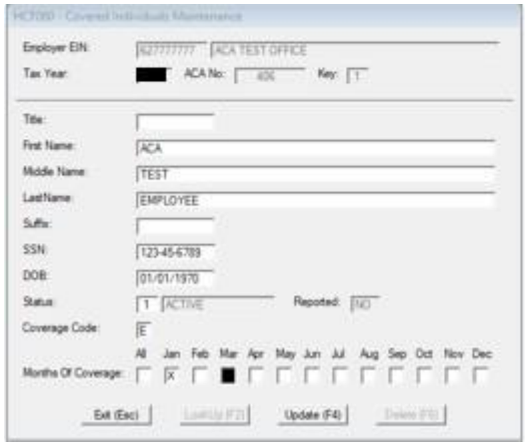
1) If the employee accepted coverage, you will indicate the coverage month. In our example it would be January on the Covered Individuals Maintenance Screen.
2) If the employee has dependents that have coverage you will need to add the dependents and their information and indicate coverage month of January (Unless you use the Edison Import Process to add dependents and months of coverage).
3) Any modifications to the employee or dependents would be made on this screen.
4) The ACA status is modified on this screen as well for both self-insured and fully insured locations.
5) If you have any dependents that stop coverage during the year you will need to come to this screen and update their status appropriately.



If you are a fully insured location, you do not have to enter months of coverage information nor the dependents if there are any.

7) Using the Terminated listing for the month of January you will need to change the ACA status of any employee that left employment in the month. Click on the Dependents (F5)

button from the Employee Master Maint. to the Dependent Lookup and Covered Individuals Maintenance Screen.



8) To verify you have all information in correctly there is an Employee Detailed report that you can run to see all employee and dependent information.

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HCQ025     2019/08/07 15:25:59                    TOWN OF SAMPLEVILLE                        FlexGen4(7.1U)     Page:    1

                                                  Employee Detail - Name

Employer: 00-9999999 ACA TEST EMPLOYER
Tax Year: 2019
Employee: 000000000 ***-**-6789 EMPLOYEE, ACA TEST                         Status 01 ACTIVE

       All 12 Mo  January  February  March     April     May      June      July     August  September  October   November  December
Cvg:                1E       1E       1E        1E        1E       1E        1E        1E        1E        1E        1E        1E
SH Co:              2C       2C       2C        2C        2C       2C        2C        2C        2C        2C        2C        2C
Emp Amt:     0.00   50.00    50.00    50.00     50.00     50.00    50.00     50.00     50.00     50.00     50.00     50.00     50.00

                                                                      Cvg All
Insured Name                      SSN      ACA No      DOB     Status Cod

EMPLOYEE, ACA TEST             ***-**-6789 000000000 01/01/1970   ACT   E
                    X        X        X        X        X        X        X        X        X        X        X        X

Record Count:     1

Transmital Count:      1
```
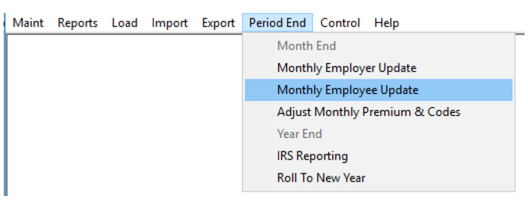
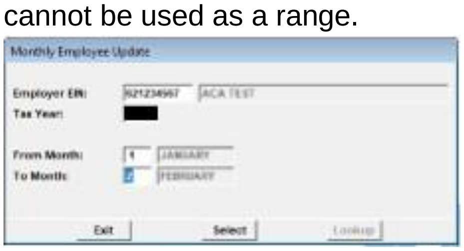

9) After you have the month of January correct with all employees and their correct status you may roll (copy) the information from January to February.

Period End > Monthly Employee Update



For each EIN you will choose the EIN and the month from which you are copying to the month you want the information to be placed. This is a month-to-month process and cannot be used as a range.

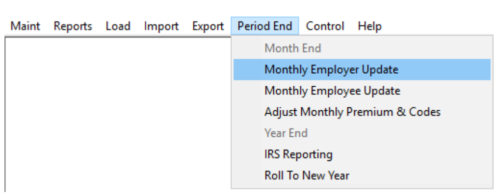


FYI - During the copy or monthly employee update process if there is an employee with status of In-Active, Non-Employee, Terminated or Omit status their information will NOT update. Those employees will have to be manually updated. Anyone with this status may be updated all at one time for the year, meaning you do not have to update the person monthly that has one of these statuses. All employees need a coverage code for every month of the year regardless if they were employed at your location the entire year or not. With the exception of filing a B form.

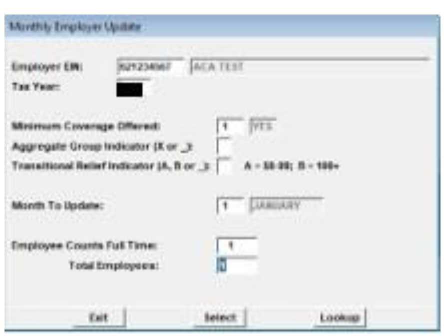
10) The Employer Master Maintenance screen has a second screen (F5) that must be completed if you are filing a C form.

Maint > Employer Master Maint. > F5 (Screen two)

Monthly Employer Update is a mass way to update employer master maintenance (screen 2) totals and can be run per EIN.
Period End > Monthly Employer Update



Information provided is for sample purpose only.



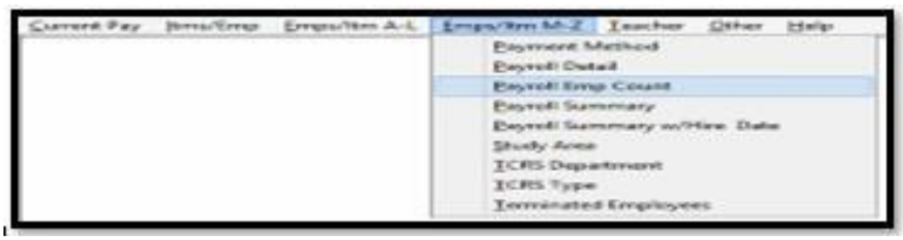
a. Employee Counts Full Time pulls from employee's check history. The program captures the status of the employee on the payroll master at the time the check was written. If an employee is a full-time status and changed to part time or vice versa in the same month, it will record that employee as full time in this screen. Full time takes precedence over part time if in the same month.

b. The numbers calculated may not be the exact number that should be reported. For example, Employee(s) that are flagged part-time on the Payroll Master but are "*Full Time Equivalent Employees (FTE)*" should be counted under the "*Employee Counts Full Time*".

c. If employee is FTE, the program will not include them within the counts displayed in <u>Employee Counts Full Time,</u> but the field can be manually modified.

d. Ultimately, it is your responsibility to ensure the <u>Employee Counts Full Time and Total Employee</u> is correct. If you think the count is wrong or it was wrong because of someone's position status on the payroll master not being correct at the time the check was written, you can manually maintenance that total under <u>Employer Master Maint</u> (F5 screen 2) or on this screen, <u>Monthly Employer Update</u>.

e. You may run a Payroll Emp Count report monthly to keep accurate track of employee counts. Reports > Payroll > Emps / Itm M-Z



This is real-time information. The report would need to be run after each payroll or at the end of the month. For example, if in December 2024 you run the report for January 2024 you can NOT expect to get accurate counts. If you run the report in December 2024 for December 2024 then you will get accurate counts.

After the Monthly Employee Update process your information is now in the month of February just like it was in the month of January. From here you will follow the same steps above for the month of February and continue doing so until you are caught up for the year.

Remember every employee needs a coverage code regardless if they were employed there all year or not. If you have an employee that starts later in the year than January, you will still need coverage codes in January and any other previous months. The only exception is if you are filing a B form.

ACA Frequently Asked Questions

If you click on the question while holding your Ctrl key down and click the mouse you will be taken to the place in the instructions with the answer.

1. How do I know if I need a B or C form printed?
2. How do I know if I am a fully insured plan or self-insured plan?
3. I do not have ACA tax years loaded in the software. How do I get started?
4. I have prior ACA tax years in the system, how do I roll my information to begin reporting for the current ACA year?
5. How do I know what coverage codes to use for reporting on employees?
6. How do I know what safe harbor codes to use for reporting on employees?
7. How can I keep up with my ACA on a monthly basis?
8. How do I know if I am a member of an ALE group?
9. Where can I find number of 1095-C Forms Files for this ALE Member?
10. Is there a process that will update the numbers on screen (2) of the Employer Master Maintenance?
11. How can I enter new employees in ACA?
12. What do I put in the self-insured flag/insured with State box on an Employee's Master Maintenance screen?
13. What do I put in Employee's Share Monthly Cost Minimum Coverage field?
14. How do I make changes to an employee's name, DOB, SSN?
15. How do I add a dependent to an employee's ACA?
16. How do I make a change to a dependent on an employee's ACA?
17. I accidently added an employee that should not be reported in ACA, how to I remove them?
18. I accidently added a dependent to an employee's ACA record that should not be reported. How to I remove them?
19. How do I add a non-employee such as a retiree's spouse that has insurance?

20. How can I add dependents and update their months of coverage without having to manually enter the data or update existing data?

21. How can I copy employee's information such as coverage codes and safe harbor codes from month to month without having to manually update it on each employee?

22. What report can I run that will tell me if an employee's coverage offered, employee's monthly cost and safe harbor code are missing?

The IRS link https://www.irs.gov/affordable-care-act/employers/questions-and-answers-about-information-reporting-by-employers-on-form-1094-c-and-form-1095-c#Reporting also provides information on the following topics:

Basics of Employer Reporting
Reporting Offers of Coverage and other Enrollment Information
Reporting for Governmental Units
Reporting Offers of COBRA Continuation Coverage and Post-Employment Coverage
Reporting Coverage under Health Reimbursement Arrangements (Form 1095-C, Part III).

Contacting LGC Support

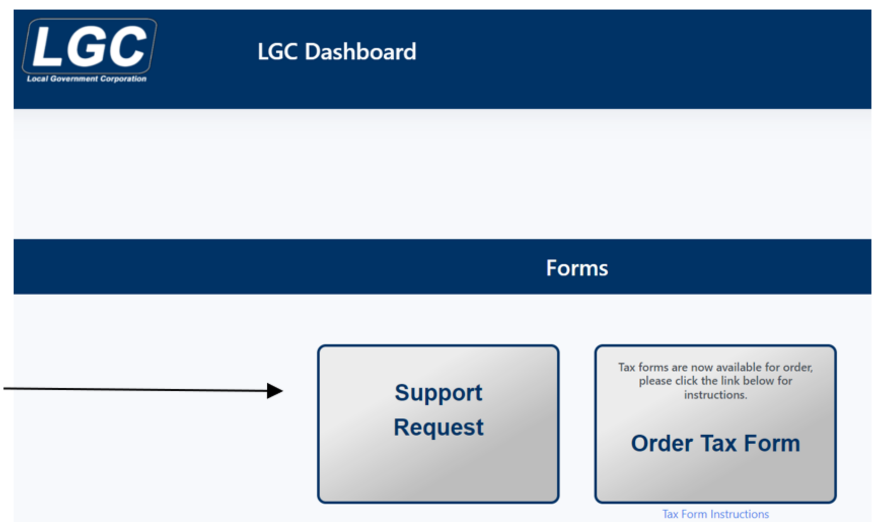
You may contact LGC Support by phone or by submitting a support request on our website:

800-737-1826
7:00 a.m. - 5:00 p.m.
Central Standard Time

Online request from our LGC website for assistance:

https://www.lgc-tn.com

Login to our website and under the LGC Dashboard on the left side of the screen, select the "Support Request".



The LGC website contains additional information about our products, training, and support services. You may also submit online support requests from our website.