Zortec 2024

Calendar Year End

Affordable Care Act (ACA) Process

REV. 11/22/2024

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Introduction

LGC has created a module under the payroll system which allows you to record health coverage and premium information for each employee and their dependents. This is a basic module which allows you to enter and/or import information to report a *1094-B/C for Employer and 1095-B/C for Employee. However, interpretation of the law in determining what should or should not be reported is the responsibility of the employer or its designated agents, not LGC. Furthermore, LGC is not responsible for fines or fees associated with improper, missed or late filings. The submission deadline for electronic filing is 3/31/25.*

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 employees about the health insurance coverage the employer offered (Forms 1094-B/C and 1095-B/C).

Information about Affordable Care Act can be found on IRS website www.irs.gov. IRS instructions for forms 1094-C and 1095-C can be found at the following link http://www.irs.gov/pub/irs-pdf/i109495c.pdf. IRS instructions for forms 1094-B and 1095-B can be found at the following link https://www.irs.gov/pub/irs-pdf/i109495b.pdf.

NOTE: Before getting started, it is very important to keep your Employee Master statuses up to date on terminated employees. The ACA module looks at the employee's status and termination date to know which employees should be included for reporting purposes. This is especially important on terminated employees. You should be using 'T'erminated status. If you use status codes other than Active and Terminated and those employees need a 1095 form, you will need to manually add the employees to the ACA employee file. We strongly encourage you to execute the Monthly Load and Monthly Roll options.

- All employees are required to have a Coverage Offer Code and Safe Harbor Code for every month, even if not employed that month. Employees that waive coverage will not have a Safe Harbor Code.
- **Employee name must match name on social security card.**
- If your site is SELF insured and filing "B" forms, employees that decline coverage should not be included in the ACA file. The "B" form is used to provide the IRS with those covered with insurance.

Several changes have been made to the payroll programs for the ACA module.

- **Payroll master data and ACA master data are separated. This means any changes made on the payroll master side (name, address, status, etc.) will have no affect on the ACA master side. These changes will need to be made on the ACA side as well.**
- Each employee will be assigned a unique Emp ACA#. The Emp ACA# cannot be changed and will remain with the employee. The last ACA# used can be seen in Office Manager, System Parameters. This is a reference only field.

- The ACA employee and covered individual names are in separate fields for first name, middle name, last name, suffix, title. It is very important that you review the data to verify it is separated correctly. Pay special attention to employees with two last names and/or employees with suffix of JR, SR, III, etc.
- You will no longer be able to delete an employee or covered individual in the ACA module. The delete option will change their status to Omit. This is needed for IRS reporting guidelines.

Forms are due to employees by March 3, 2025. Forms are due to IRS by February 28, 2025, for paper filing or March 31, 2025, for electronic filing.

To access Affordable Care Act options, from Payroll main menu, select option *#6-Period End Process, #64-Affordable Care Act*. The following menu will display.

```
┌─────────Available Options─────────┐
│                Payroll            │
│  01..ACA Employer File Maint      │
│  02..ACA Employee File Maint      │
│  03..ACA Coverage Prov. Maint     │
│                                   │
│  06..Roll ACA Files (Monthly)     │
│  07..Roll ACA Files (Annual)      │
│                                   │
│  20..Load ACA Employer File       │
│  21..Load ACA Employee File       │
│                                   │
│  50..ACA Employer Report          │
│  51..ACA Employee Report          │
│  52..ACA Exception Report         │
│                                   │
│  56..Measurement Period Report    │
│                                   │
│  58..Utilities                    │
│                                   │
│  60..Print Forms/Elect. Filing    │
│                                   │
│  62..Import Covered Individuals   │
└───────────────────────────────────┘
```

ACA Employer File

NOTE: If you do not need to make any changes to the ACA Employer fields, skip this step, and go to **ACA Coverage Provider Maintenance**.

Use option **#01-ACA Employer File Maintenance** from Affordable Care Act menu to enter and/or update reportable fields. ACA Employer Master File consists of three screens where information may be entered or updated. The screens are a replica of form 1094-C. Information entered on the three screens will be to print the 1094-B/C form. Note: Part II, III and IV are form 1094-C only.

```
Part I
Employer:             CITY OF ANYWHERE              1094/1095 Form Type:   C   [B/C]
Address Line1:        100 MAIN STREET               EIN:   62-1234567         Yr:  20XX
Address Line2:        
City/State/Zip:       ANYWHERE          TN   12345  Country:   
Contact Name:         SUSIE Q EMPLOYEE              Phone #:  (555)555-1212
Designated Government
Entity Name:                                        EIN:   
Address Line1:        
Address Line2:        
City/State/Zip:                                     Country:   
Contact Name:                                       Phone #:   

Total number of Forms 1095 submitted with this transmittal:        55
Is this the authoritative transmittal for the ALE Member?          Y    [Y/N]
Part II
Total number of Forms 1095-C submitted by/on behalf of employer:   55
Is ALE Member a member of an Aggregated ALE Group?                 N    [Y/N]
Certifications of Eligibility (select all that apply):
Qualifying Offer Method:                    Reserved:   
Reserved:                                   98% Offer Method:   
```

Sample Only

Part I

'Employer' information is information about your office.

'1094/1095 Form Type' defaults to "C" but can be changed if your site will be filing "B" forms.

'Country' should be left blank if the country is the United States.

'Designated Government' information would be used if you are a Designated Governmental Entity (DGE) filing on behalf of an employer. If you have multiple EINs, you may need to determine if one of them should be the DGE for filing purposes. Form 1094-C only.

'Total number of Forms 1095 submitted with this transmittal' must be numeric value or blank. This will print in box 8 on the 1094-B form and in box 18 of the 1094-C form. After you have printed the 1095-B/1095-C forms, this number will be available on the PPTOT-LS report in the Spooler.

'Is this the authoritative transmittal for the ALE Member' must be Y or N. Form 1094-C only.

Part II

Information regarding Applicable Large Employer (ALE) member. See IRS instructions for form 1094-C for specific information on how to answer each question.

'Total number of Forms 1095-C submitted by/on behalf of employer' must be numeric value or blank. This will print in box 20 on the 1094-C form. After you have printed the 1095-C forms, this number will be available on the PPTOT-LS report in the Spooler.

'Is ALE Member a member of an Aggregated ALE Group' must be Y or N. If answered Y, fill in Part IV.

'Certifications of Eligibility' select all that apply.

Part III

Second screen of Employer ACA file is for ALE Member Monthly Information. See IRS instructions for form 1094-C for specific information on how to answer each question.

Part III					
Employer: CITY OF ANYWHERE			EIN: 62-1234567		Yr: 20XX

	Minimum Essential Coverage Offer [Y/N]	Employee Count Full-Time	Total	Aggregated Group Indicator	Reserved
All 12 Months:					
January:	Y	50	84	X	
February:	Y	4	83	X	
March:	Y	49	85	X	
April:	Y	49	84	X	
May:		48	83	X	
June:	Y	49	84	X	
July:	Y	48	75	X	
August:	Y	48	83	X	
September:	Y	50	83	X	
October:	Y	49	81	X	
November:	Y	48	83	X	
December:	Y	48	83	X	

Sample Only

Valid options for *'Minimum Essential Coverage Offer'* are Y, N or blank.

'Employee Count Full-Time' and *'Employee Count Total'* must be numeric value or blank. The Monthly Roll option will populate these fields.

'Aggregated Group Indicator' must be X or blank.

Part IV

Third screen of Employer ACA file is the equivalent to Part IV of IRS form 1094-C. If you have multiple EIN's you need to determine if they would be part of ALE Group or if you need to report them separately. If part of ALE Group, you will enter names and EIN of other ALE members of the Aggregated ALE Group on this screen.

The 'St' field will only be used if you reported as an aggregated ALE group in error. This is uncommon.

ACA Coverage Provider Maintenance

You will need a coverage provider code(s). This will be the 'Issuer' code on the ACA Employee Master File Maintenance screen.

Select option **#3-ACA Prov. Maint** from the Affordable Care Act menu. Select "C"reate or "U"pdate, enter a numeric code. The following screen will appear.

'Issuer/Coverage Provider Code' – Enter a 1- or 2-digit numeric code that you wish to use.

'Employer EIN' – Enter the EIN for your organization.

'Identifying Origin of Policy Code' – Enter valid IRS Origin of Policy Code. Prints in box 8, on form 1095-B.

- Valid options are:

○ A	○ E
○ B	○ F
○ C	○ G
○ D	

- See IRS 1094-B and 1095-B instructions for description of codes.

'Issuer Name' – If you selected Identifying Origin of Policy Code "B", you must fill out the bottom of the screen with the Issuer name/employer. This will print on Part III of the employee's 1095-B form.

'Plan Start Month' – Required starting with 2020 year. Form 1095-C only.

1095-C forms require the "Plan Start Month". If you do not have a Coverage Provider record, it must be created. Select the plan type that best suits your office. Only the Plan Start Month will print on the 1095-C forms. Contact Support for help to mass update your ACA Employee Master Records.

Annual Roll

Option *#7-Roll ACA Files (Annual)* is used to copy detailed information from one year to the next. This option should only be run once you believe you have all the December information correct. The program copies Coverage Offer Code, Emp Minimum Value Coverage Premium and Safe Harbor Code from <u>December</u> of the "From" year to <u>January</u> of the "To" year. If you entered data in the 'All 12 months' field, this will roll to January. The program copies detailed information of employees and/or covered individuals whose ACA status is Active or Non-employee. Detailed information of employees or covered individuals whose ACA status is Inactive or Terminated will change to Omit. Refer to ACA Employee – Monthly Load for details on how to answer questions on the screen.

'Year' – Enter the FROM and TO calendar year.

'EIN' – Enter number or leave blank for all.

'Change minimum premimum' – Answer Y if you want to change the existing amount. If you answer N the existing amount will roll to January.

'New Premium' – If you answered Y to change the premium, enter the new amount here. It could be zero.

'New Coverage Code' – If you need to change the coverage code on ALL records, enter the new code here. Leave blank to roll codes from December.

'New Safe Harbor Code' – If you need to change the safe harbor code on ALL records, enter the new code here. Leave blank to roll codes from December.

'Overwrite Existing Records' – Answer Y if you want to overwrite or change the existing employee ACA information for the year selected.

'Roll Covered Individual data' – Answer Y if you want to roll the December covered individuals to January.

- If you are a larger site, you may prefer to receive a file from your insurance carrier to import covered individuals instead of rolling.

'Roll non-Employees' – Answer Y to roll "N"on-employee status employees. Answer N if you do not want to roll "N"on-employee status employees. Answering N will change their status to "O"mit.

NOTE: Can re-roll if needed.

```
          Year
From:   [▮          ]
To:     [           ]

EIN:    [           ]   [Blank for all]

Change minimum premium?   [   ]   [Y/N]
New Premium:                    [          ]
New Coverage Code:         [   ]   [Blank if no change]
New Safe Harbor Code:      [   ]   [Blank if no change]

Overwrite Existing Records?  [N]   [Y/N]
Roll Covered Individual data? [   ]   [Y/N]
Roll non-Employees?          [   ]   [Y/N]
```

Monthly Steps

The monthly process consists of loading the newly hired employees. Then rolling the existing employee codes/data to the next month. You will execute **#21-Load ACA Employee File** and then option **#6-Roll ACA Files (Monthly).**

We strongly recommend you execute the monthly steps.

ACA Employee File – Monthly Load

You will need to periodically run Load ACA Employee File to add newly hired employees. It is recommended you run Load ACA Employee File monthly, using beginning of month through end of month in From/Thru Date fields to select employees with Employed Date of the same date range.

Select option **#21-Load ACA Employee File** from the Affordable Care Act menu to build employee file monthly. Enter the Year and employment date range for the month you are working on. Enter Status selection of A and T.


```
Year:        [20XX]      From Employed Date:  [1/01/20XX]
                         Thru Employed Date:  [1/31/20XX]

Payrolls:   [  ][  ][  ][  ][  ][  ][  ]
Locations:  [  ][  ][  ]      [  ][  ][  ]

Full/Part:  [F][ ][ ][ ]   Pay Types  [ ][ ][ ][ ]
Status :    [A][T][ ][ ]   Misc Codes [ ][ ][ ][ ]
Freqs:      [ ][ ][ ][ ]   Groups:    [ ][ ][ ][ ]

Coverage Offer Code:        [   ]
Minimal Emp Premium:        [    0.00]
Safe Harbor Code:           [   ]
Month to store values in:   [   ]   [1-12]
Overwrite Existing Records? [N]   [Y/N]
```

'Coverage Offer Codes'

- Enter valid IRS Coverage Code for employees being pulled into the file.
- This field may be skipped depending on employees being selected, however <u>ALL employees</u> must have a code for <u>every</u> month.
- See IRS 1094-C and 1095-C instructions for description of codes.
- Valid options are:

o 1A – does not allow premium	o 1N
o 1B	o 1O
o 1C	o 1P
o 1D	o 1Q
o 1E	o 1R – does not allow premium
o 1F – does not allow premium	o 1S – does not allow premium
o 1G – does not allow premium	o 1T
o 1H – does not allow premium	o 1U
o 1I – reserved for future use	o 1V – reserved for future use
o 1J	o 1W – reserved for future use
o 1K	o 1X – reserved for future use
o 1L	o 1Y – reserved for future use
o 1M	o 1Z – reserved for future use

'Minimum Emp Premium'

- Enter the lowest-cost monthly premium for self-only minimum essential coverage providing minimum value that is offered to the employee. 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.
- May be skipped, depending on employees being selected.
- Depending on Coverage Offer Code entered, you may be required to enter something in this field.
- See IRS 1094-C and 1095-C instructions for additional information.

'Safe Harbor Code'

- Enter valid IRS Safe Harbor Code for employees being pulled into the file.
- This field may be skipped depending on employees being selected, however <u>ALL employees</u> must have a code for <u>every</u> month. Employees that waive coverage will not have a safe harbor code.
- See IRS 1094-C and 1095-C instructions for description of codes.
- Valid options are:

o 2A	o 2F
o 2B	o 2G
o 2C	o 2H
o 2D	o 2I – reserved
o 2E	

'Month to store values in'
- Month you wish to update employee's ACA information for Coverage Offer Code, Minimum Emp Premium and Safe Harbor Code.
- This field may be skipped depending on employees being selected.
- Required if anything is entered for Coverage Offer Code, Minimum Emp Premium or Safe Harbor Code.
- If required, it should correspond with the employed date at the top of the screen. (i.e., 1/1/2024 to 1/31/2024 = 01 month to store value in.)

'Overwrite Existing Records'
- Allows you to update or overwrite existing employee ACA information for the month selected.
- Answer Y to overwrite existing employee information with information entered in Coverage Offer Code, Minimum Emp Premium and Safe Harbor Code for the month entered.
- Answer N if you do not wish to overwrite existing employee ACA information. If N, only newly created employee records will have values entered for Coverage Offer Code, Minimum Emp Premium and Safe Harbor Code for the month entered.

NOTE: Coverage Offer Code, Minimum Emp Premium, Safe Harbor Code and Month to store values in are required for 1095-C forms. They can be left blank for 1095-B forms.

Monthly Roll

Option **#6-Roll ACA Files (Monthly)** is used to copy detailed information from one month to the next. Once you believe you have information in one month correct, use monthly roll program to copy that information to the next month. Monthly roll process can be run for individual EIN or leave EIN field blank to copy monthly information for all available EINs. The program copies detailed information of employees and/or covered individuals whose ACA status is active. Detailed information of employees or covered individuals whose ACA status is inactive or terminated will not copy. **(Note: Do not confuse employee ACA status with employee status on screen 1 of their master record. Once ACA employee file is built, the statuses do not relate. You will need to change employee and dependent ACA status when appropriate. Treat employee master record status as you always have.)**

'Year' – Enter calendar year you are working on.

'EIN' – Enter number or leave blank for all.

'Month' – From and To month needed.

- When you enter the TO month, the system will read check history for this month and populate the Employees Full Time and Total by EIN. These values will update the ACA Employer File Maintenance, screen 2.
- Pay special attention to the NOTE on the bottom of the screen that lists several situations that could affect the count. Use any means necessary to verify the count.

- o The full time/part time status is pulled from the employee's payroll master screen at the time the option is ran.
  - ➢ NOTE: To populate January full time/part time count, run the option and enter From month 2 and To month 1. Enter until the count is displayed on the screen, then escape. You do not need to complete the remainder of the screen. The count will be updated to ACA Employer File Maintenance.

'Roll Covered Individual data?' – Answer Y if you want to roll the X on screen 2 of the ACA Employee Maintenance to the next month.

'Overwrite Existing 'To' Information?' – Answer Y if you want to overwrite or change the existing employee ACA information for the month selected.

'Roll non-Employees?' - Answer Y if you want to roll "N" status employees (i.e. COBRA individuals, etc.). Answer N if you do not want to roll them.

'Change minimum premimum?' – Answer Y if you want to change the existing amount. If you answer N the existing amount will roll to the 'To' month.

'Premium' – If you answered Y to change the premium, enter the new amount here. It could be zero.

Import Covered Individuals

Option **#62-Import Covered Individuals** is used to import information from csv file to screen 2 of employee ACA maintenance. Before the import option can be run, load ACA employer and load ACA employee options must be run. There are two import options.

- Generic Import – imports a file you can request or download from your insurance carrier. The Name field should be formatted as LASTNAME, FIRSTNAME MIDDLENAME. The comma is required between the last and first name.
- Edison Import – imports a file you can download from the State of Tennessee website if your insurance is through the State of Tennessee.

An option to sort by name or SSN was added to the report. A report will print at the end of the import process listing any employee records whose name in ACA Employee Master does not match the import file. The program will import the underline employee name as it is listed in ACA Employee Master. The program does not make any changes to spouse or children's names.

Below is a sample screen print of an import csv file for the Generic Import. Contact LGC Software Support if you are interested in using either import option.

	A	B	C	D	E	F	G	H	I	J	K	
1	Tax year	EIN	Employee SSN	Sequence	Name	Status	Type	Date of birth	SSN	All 12 month coverage	January coverage	Febru
2	2024	62-60██	4███1234	0	NAME, EMPLOYEE	A	E	6/8/1967	████1111	X	X	X
3	2024	62-60██	4███1234	1	NAME, SPOUSE	A	S	8/5/2014	████1234	X	X	X
4	2024	62-60██	4███1234	2	NAME, CHILD	A	D	10/20/2009	████1234	X	X	X
5	2024	62-60██	1███5555	0	SMITH, JONES	A	E	12/26/1968	████3333	X	X	X
6	2024	62-60██	5███6666	0	ROBERTS, WILLIAM	A	E	9/20/1987	████6666	X	X	X
7	2024	62-60██	5███6666	1	ROBERTS, THOMAS	A	D	10/20/2010	████2222	X	X	X
8	2024	62-60██	4███1111	0	JOHNSON, THOMAS	A	E	9/20/1987	████1111	X	X	X
9	2024	62-60██	4███1111	1	JOHNSON, SUSAN	A	S	10/20/1987	████8888	X	X	X
10	2024	62-60██	8███2583	0	EMPLOYEE NAME	A	E	9/20/1975	████7362	X	X	X
11	2024	62-60██	8███2583	1	SPOUSE NAME	A	S	10/20/1980	████8888	X	X	X
12	2024	62-60██	8███2583	2	DEPENDENT CHILD1	A	E	9/20/1987	████1212	X	X	X
13	2024	62-60██	8███2583	3	DEPENDENT CHILD2	A	E	9/20/1987	████1111			
14	2024	62-60██	3███1111	1	JONES, JAMES	A	D	10/20/2010	████1111			
15	2024	62-60██	3███1111	0	JONES, MARY	A	E	9/20/1987	████2222			
16	2024	62-60██	3███1111	1	JONES, SUSAN KAY	A	D	10/20/2010	████3333			
17												
18												
19												
20	Tax year	EIN	Employee SSN	Sequence number	Names	Status	Type	Date of birth	Covered individual's SSN			
21			No dashes	Employee's should be 0	Employee should be first	A-active	E-employee	mm/dd/ccyy format	No dashes			
22			Include leading zeros	Increment by 1		T-terminated	S-spouse		Include leading zeros			
23						I-inactive	D-dependent					

NOTE: The covered individual must be imported or manually added to each ACA Employee Record before proceeding to the printing options.

ACA Employee File

Manually Create Employees in the ACA File

You can also enter your employees manually from **#2-ACA Employee File Maintenance**. This step is useful to add COBRA, retiree and/or non-employee records that should receive a 1095 B/C form. Select Create mode. You will be prompted for the filing year and name.

On the following screen, enter the EIN, Emp#, SSN and DOB.

Enter the the name and address in the separate fields provided.

If the employee has a foreign address, enter the Country and Foreign Zip. Leave the Country field blank for USA addresses.

On the next screen enter a status for the employee. Available options are:

- A – Active
- I – Inactive
- N – Non-Employee – for COBRA or other non-employee records
- O – Omit – for records that should not be reported to the IRS
- T – Terminated

Enter issuer code.

Continue with entering codes as needed.

If you are self-insured, place an X in the box at the bottom of the screen.

Screen 2 will appear. Select the employee record and make any changes as needed to the separate name fields on the bottom of the screen. And place an X in the months the individual had coverage.
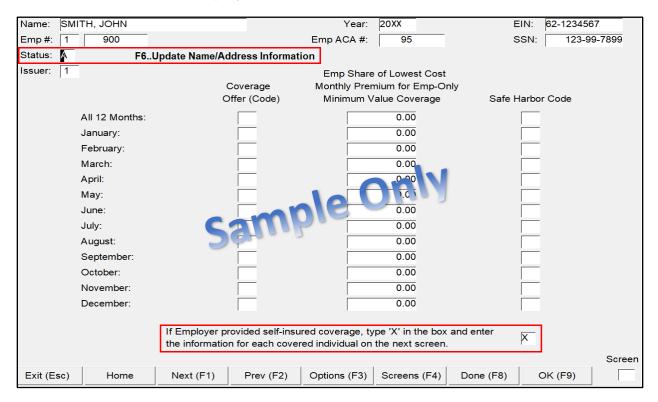

ACA Employee File Maintenance

Once the Employee ACA file is built, the ACA employee records are separate from the employees' regular payroll records. After the Employee ACA file is built, you may begin entering or updating employee ACA records. Select option *#2-ACA Employee File Maintenance* from Affordable Care Act menu to maintain employee information.

Each employee's ACA file consists of 2 screens. Use screen 1 to enter/update Status and Issuer. Also to enter/update Coverage Offer Code, Lowest Cost Monthly Premium and Safe Harbor Code for each month.

To change the employee's name, address, DOB, SSN, etc. select F6 Update Name/Address Information. You must be in update mode to access the F6 function.

If you have an employee or covered individual that should not be reported to the IRS, change their status to Omit.

NOTE: Any changes made to the employee master (name, address, status, etc.) MUST also be made to the ACA employee master record.

Name:	SMITH, JOHN		Year:	20XX	EIN:	62-1234567
Emp #:	1	900	Emp ACA #:	95	SSN:	123-99-7899

Status: A   **F6..Update Name/Address Information**

Issuer: 1

	Coverage Offer (Code)	Emp Share of Lowest Cost Monthly Premium for Emp-Only Minimum Value Coverage	Safe Harbor Code
All 12 Months:		0.00	
January:		0.00	
February:		0.00	
March:		0.00	
April:		0.00	
May:		0.00	
June:		0.00	
July:		0.00	
August:		0.00	
September:		0.00	
October:		0.00	
November:		0.00	
December:		0.00	

Sample Only

If Employer provided self-insured coverage, type 'X' in the box and enter the information for each covered individual on the next screen.   X

Screen

Exit (Esc)	Home	Next (F1)	Prev (F2)	Options (F3)	Screens (F4)	Done (F8)	OK (F9)

When an employee terminates or no longer needs to be reported under ACA file, the employee ACA status must be changed to 'I'nactive or 'T'erminated to keep their information from rolling during the monthly roll process. (Note: This Status field is different than employee information Status on screen 1 of their master record.)

If Employer provided self-insured coverage, type 'X' in the box on the bottom of the screen and enter the information for each covered individual on the next screen. If Employer provided fully insured coverage, leave this field blank; you do not need to enter covered individuals.

- When you mark X in 'If Employer provided self-insured coverage' field, the employee's information will load to screen 2 of the employee record. The employee will have 'St'atus that matches screen 1 and 'Type' of 'E'mployee.

Use screen 2 to enter/update Covered Individuals information. Use F5 function key on your keyboard to add covered individual(s) for each employee.

Note: We have options to import a CSV file of covered individuals. If you are interested in using the import options, contact LGC Software Support for more information.

Enter dependent name. (Last, First Middle)
'J', 'F', 'M', etc. are month fields, representing January, February, March, etc. Type an 'X' in month being processed in which dependent has insurance coverage. (Monthly roll process will allow ability to copy from one month to next.)
Enter dependent name in separate name fields.
Enter dependent's **SSN**.
Enter dependent's date of birth in **DOB** field.
Enter 'St'atus of 'A'ctive, **'I'**nactive, '**T'**erminated, '**N'**on-employee or **'O'**mit.
Enter 'Type' of **'S'**pouse or '**D'**ependent.

ACA Reports

After employer and employee information is loaded and/or updated, use the report options to check information.

Employer Report

Option *#50-ACA Employer Report* prints a report of employer file information. Information on the report is what will be printed on 1094-B/C form for calendar yearend reporting.

Employee Report

Option *#51-ACA Employee Report* prints a report of employee file information. Information on this report will be what prints on 1095-B/C form for calendar yearend reporting. It is advisable to print this report and review for accuracy.

Exception Report

Option *#52-ACA Exception Report* prints a report of possible incorrect employee information. Check messages on this report to determine if you need to change any information. The report does not look at the "All 12 months" fields. You are strongly encouraged to run the MONTHLY ROLL process. This will populate the individual months' data.

- Messages include:
    - *Indicator checkbox not marked correctly* -- Message generated when employee ACA master does not have 'X' in 'employer is self-insured' flag at the bottom of screen 1 of employee ACA master, but covered individuals exist on screen 2.
    - *Invalid min. employee prem. for coverage code* -- Message generated when Coverage Code is one that does not allow an amount.
    - *Dependent has reached age 26* – Message generated when covered dependent has reached maximum allowable age.
    - *Employee is not active* – Message generated when employee ACA Master Status is not active on screen 1.
    - *Invalid or missing coverage code* – Message generated when monthly field does not have coverage code on screen 1 ACA Master. All months must have a coverage code, even if the employee did not work the whole year.

- *Cov. Indiv. Active, Employee is not* – Message generated when employee status on screen 1 is not active and covered individual is active.
- *Employee Covered Individual Rec. Missing* – Message generated when there is an 'X' in the employer self-insured check box, but there is no employee covered individual record.
- *Month covered field is blank* – Message generated when monthly field on screen 2 field does not have an "X".
  - **A code of "K"** has been added to the Covered Individual screen to note that the individual did not have coverage for a month. This was done to help eliminate rechecking errors from month to month. The "K" does not roll during the monthly roll process.


```
Time: 15:48                          ACA Employee Exception Report                        Id: PP6360

EIN:  62-1234567     MONTH:  MAY

-------------Name-------------      Payroll/F  #    -  -----Message-----------------      ----Error Field-----

ANDERSON, CHELSEA                   -                Invalid or missing coverage code

BARNES, RICHARD L.                  1-      40       Month covered field is blank         BARNES, ROSIE K
                                    1-      40       Dependent has reached age 26         BARNES, ROSIE K

MOUSE, MICKEY                       -                Covered Indiv./Employee Status mismatch   MOUSE, MICKEY
                                    -                Covered Indiv./Employee Status mismatch   MOUSE, MINNIE
                                    -                Month covered field is blank         MOUSE, SISTER

SMITH, JOHN                         1-     900       Invalid or missing coverage code
                                    1-     900       Month covered field is blank         SMITH, JOHN


Total employees listed:      4
```

Measurement Period Report

We have also added option *#56-Measurement Period Report* to the Affordable Care Act menu. This report can be used as a tool to aid in determining the number of hours worked for hourly employees. The program reads check history for date range entered and gives an **average** of hours worked for weeks in the measurement period.
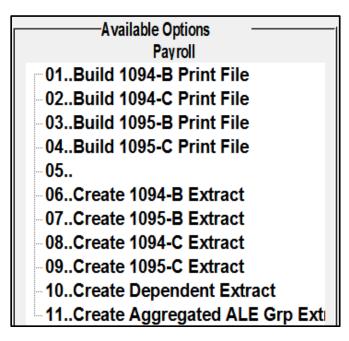
The report only lists hourly employees. If salaried employees are needed, the 'Base Pay' pay type in Office Manager must be set to 'accept hours'. Then the hours would be entered during Input of Times on salaried employees. This is NOT retroactive and starts with the first payroll run after the pay type is updated.

In the below example, the report period includes two bi-weekly pay periods. Therefore, 4 'Weeks in Measurement Period' is used.

ACA form printing and electronic filing

Sub-menu *#60-Print Forms/Electronic Filing* will be used to print 1094 and 1095 forms and create extracts for electronic filing. These options will be used to create extract files for printing the forms and building the electronic file that will be sent to IRS. The extract files must be created first. The 'Form Type' listed on the ACA Employer Master screen must match the extract you create. You will receive an error message if you attempt to create an extract that does NOT match the 'Form Type'. You may update the 'Form Type' under ACA Employer File Maintenance if needed.

```
┌─────────── Available Options ───────────┐
│                 Payroll                 │
│   01..Build 1094-B Print File           │
│   02..Build 1094-C Print File           │
│   03..Build 1095-B Print File           │
│   04..Build 1095-C Print File           │
│   05..                                  │
│   06..Create 1094-B Extract             │
│   07..Create 1095-B Extract             │
│   08..Create 1094-C Extract             │
│   09..Create 1095-C Extract             │
│   10..Create Dependent Extract          │
│   11..Create Aggregated ALE Grp Ext     │
└─────────────────────────────────────────┘
```

Filing fewer than *50* information returns — "B" forms

Step 1: Creating the 1094-B/1095-B Extracts

If filing **fewer than 50** information returns, select the extract options *#6-Create 1094-B Extract, #7-Create 1095-B, and #10-Create Dependent Extract.*

Each option will default in an 'Input .INI File Name'. Enter to accept the default file name. Then you will be prompted to enter the calendar year you are reporting. This will build each extract file. Once the extracts are complete, the forms can be printed.

NOTE: If you have multiple EINs and need to create separate files for reporting, press F6 when the cursor is on the 'Input.INI File Name' field. On the screen that appears, enter the EIN needed in the 'Alphanumeric' field and press F9 to return to the previous screen. Do this for each EIN that should be reported separately.

Skip to Step 4 if filing MORE than 50 information returns.

Step 2: Creating the "B" Print Files

Select option **#3-Build 1095-B Print File.** Enter 2024 for the year. If you created separate EIN files in the previous step, enter the first EIN to print. Enter to accept the default file name. Type an "X" beside the form you wish to print. If you contracted with LGC to print your 1095-B forms, select **"Mailer Form"**.

If LGC will be printing your 1095-B forms…

You will be receiving Mailer Forms. Type an "X" beside 'Mailer Form' and use "7" for the Top Margin Offset and "0" for the Left Margin Offset.

FORM OPTION	TOP MARGIN OFFSET DEFAULT	LEFT MARGIN OFFSET DEFAULT
1-UP LASER FORM	3	0
MAILER FORM	7	0
STANDARD IRS FORM	3	0

The Top Margin Offset prompt is the amount of space the printing needs to be moved down from the top of the form (1 is approximately equal to one line). If you need to adjust the line printing by a little, make the changes in increments of 1 (i.e., 1, 2, 3, etc.) If you have contracted with LGC to print your ACA's, please leave the default of 7 for "Top Margin Offset".

The Left Margin Offset prompt is the number of spaces the printing needs to be moved to the right. (This is the number of characters. For example, if the printing on your form needs to be moved over 3 spaces to the right, enter 3 in this field.) In most instances, you will be able to use the default. If you contracted with LGC to print your ACA's, please leave the default of 0 for "Left Margin Offset".

If you feel you need to use something other than the default and you are not sure what to use, you may want to print just one form to see how things line up. You would want to print these on plain paper and make sure they line up correctly with your ACA 1095-B. (Use the Enter SSN for Inv prompt for printing just one ACA.) The Enter SSN to Restart and Enter SSN for Inv prompts are used only if you need to restart printing or if you need to print an ACA for only one employee. The payroll system will then generate the print file for your ACAs. (NOTE: If using the SSN for Restart, be sure you select an employee with covered individuals/dependents on screen 2 of ACA Employee Maintenance. This will ensure the covered individuals will print on the form.)

It is advisable to use the Enter SSN for Inv field for printing only one employee to make sure the data prints on the forms correctly. You may have to do this several times to determine what needs to be in the Top Margin Offset and the Left Margin Offset fields. When building the print file for the first time, leave the defaults in the Offset fields. Only after printing the forms on plain paper and they do not line up correctly should you change those defaults. If you need assistance with this, contact Customer Support.

After the print file has been created, the following message will appear if there are any information records that require a continuation sheet. **"PPCIRPLS created for additional Covered Individual"**. Press enter on this message and the # of records to print will display.

Before printing the 1094-B file, return to the ACA main menu and select *#1-ACA Employer File Maintenance.* Select "U"pdate and using the totals from the PPTOT-LS report, enter this value in the "Total number of Forms 1095 submitted with this transmittal" on screen 1.

Select option *#1-Build 1094-B Print File.* Enter 2024 for the year. If you contracted with LGC to print your form, please leave the default of Top Margin Offset 5 and Left Margin Offset of 0.

Continue to Step 3 Printing the "B" Forms.

Step 3: Printing the "B" Forms

NOTE: If you have contracted with LGC to print your forms, it is not necessary to do the following step. Proceed to section <u>Electronic Filing of ACA Information Returns.</u>

If you are printing with a **laser printer** be sure an LGC representative has set this up for you. It may also be a good idea to make copies of the forms and do a test print to make sure they line up properly before printing on the actual forms.

NOTE: Due to the layout of the forms and the various spacing requirements, the printed data may not land perfectly inside every box or square. This is expected and should not be cause for alarm.

When you have inspected and approved the test printed 1095-B forms, you are ready to print the data onto the actual 1095-B forms. This process is almost the same as that used to test print the 1095-B forms.

Load the actual 1095-B form stock into your printer. You will need to allow for one (1) extra form or a blank sheet of paper at the beginning of the stack. This is needed for alignment purposes.

To print the **1095-B Employee Information Returns,** the print file will be named **PP1095LS.** Enter the printer name assigned by the LGC representative to print the forms. If you received the message **"PPCIRPLS created for additional Covered Individual",** be sure you print this file on the continuation forms.

To print the **1094-B Employer Information Return**, choose Option 56, **Spooler**, from the Payroll/Personnel Master Menu. From the Spooler menu, choose Option 2, **Print a File**. The system will display a list of the files available to print. The print file will be named **PP1094LS**. Enter the printer name assigned by the LGC representative to print the forms.

To print the totals report, the print file name is **PPTOT-LS**

NOTE: If you created separate EIN files, return to Step 2, and repeat for the next EIN until all are completed.

Filing more than *50* information returns — "C" forms

Step 4: Creating the 1094-C/1095-C Extracts

Sub-menu *#60-Print Forms/Electronic Filing* will be used to print 1094 and 1095 forms and create extracts for electronic filing. These options will be used to create extract files for printing the forms and building the electronic file that will be sent to IRS. The extract files must be created first.

If filing **more than 50** information returns, select extract options *#8-Create 1094-C Extract, #9-Create 1095-C Extract*, *#10-Create Dependent Extract, #11-Create Aggregated ALE Group Extract.*

Each option will default in an 'Input .INI File Name'. Enter to accept the default file name. Then you will be prompted to enter the calendar year you are reporting. This will build each extract file. Once the extracts are complete, the forms can be printed.

NOTE: If you have multiple EINs and need to create separate files for reporting, press F6 when the cursor is on the 'Input.INI File Name' field. On the screen that appears, enter the EIN needed in the 'Alphanumeric' field and press F9 to return to the previous screen. Do this for each EIN that should be reported separately.

Return to Step 1 if filing LESS than 50 information returns.

Step 5: Creating the "C" Print Files

Select option *#4-Build 1095-C Print File.* Enter 2024 for the year. If you created separate EIN files in the previous step, enter the first EIN to print. Enter to accept the default file name. Type an "X" beside the form you wish to print. If you contracted with LGC to print your 1095-C forms, select **"Mailer Form"**.

If LGC will be printing your 1095-C forms…

You will be receiving Mailer Forms. Type an "X" beside 'Mailer Form' and use "7" for the Top Margin Offset and "0" for the Left Margin Offset.

FORM OPTION	TOP MARGIN OFFSET DEFAULT	LEFT MARGIN OFFSET DEFAULT
1-UP LASER FORM	3	0
MAILER FORM	7	0
STANDARD IRS FORM	THIS OPTIONS HAS	BEEN DISABLED

The Top Margin Offset prompt is the amount of space the printing needs to be moved down from the top of the form (1 is approximately equal to one line). If you need to adjust the line

printing by a little, make the changes in increments of 1 (i.e., 1, 2, 3, etc.) If you have contracted with LGC to print your ACA's, please leave the default of 7 for "Top Margin Offset".

The Left Margin Offset prompt is the number of spaces the printing needs to be moved to the right. (This is the number of characters. For example, if the printing on your form needs to be moved over 3 spaces to the right, enter 3 in this field.) In most instances, you will be able to use the default. If you have contracted with LGC to print your ACA's, please leave the default of 0 for "Left Margin Offset".

If you feel you need to use something other than the default and you are not sure what to use, you may want to print just one form to see how things line up. You would want to print these on plain paper and make sure they line up correctly with your 1095-C form. (Use the Enter SSN for Inv prompt for printing just one ACA.) The Enter SSN to Restart and Enter SSN for Inv prompts are used only if you need to restart printing or if you need to print an ACA for only one employee. The payroll system will then generate the print file for your ACAs. (NOTE: If using the SSN for Restart, be sure you select an employee with covered individuals/dependents on screen 2 of ACA Employee Maintenance. This will ensure the covered individuals to print on the form.)

It is advisable to use the Enter SSN for Inv field for printing only one employee to make sure the data prints on the forms correctly. You may have to do this several times to determine what needs to be in the Top Margin Offset and the Left Margin Offset fields. When building the print file for the first time, leave the defaults in the Offset fields. Only after printing the forms on plain paper and they do not line up correctly should you change those defaults. If you need assistance with this, contact Customer Support.

After the print file has been created, the following message will appear if there are any information records that require a continuation sheet. **"PPCIRPLS created for additional Covered Individual"**. Press enter on this message and the # of records to print will display.

Before printing the 1094-C file, return to the ACA main menu and select *#1-ACA Employer File Maintenance.* Select "U"pdate, screen 1 and using the totals from the PPTOT-LS report, enter this value in the "Total number of Forms 1095 submitted with this transmittal" and in the "Total number of 1095-C submitted by/on behalf of Employer".

Select option *#2-Build 1094-C Print File.* Enter 2024 for the year. If you have contracted with LGC to print your form, please leave the default of Top Margin Offset 5 and Left Margin Offset of 0.

Step 6: Printing the "C" Forms

NOTE: If you have contracted with LGC to print your forms, it is not necessary to do the following step. Proceed to section Electronic Filing of ACA Information Returns.

If you are printing with a **laser printer,** be sure an LGC representative has set this up for you. It may also be a good idea to make copies of the forms and do a test print to make sure they line up properly before printing on the actual forms.

NOTE: Due to the layout of the forms and the various spacing requirements, the printed data may not land perfectly inside every box or square. This is expected and should not be cause for alarm.

When you have inspected and approved the test printed 1095-C forms, you are ready to print the data onto the actual 1095-C forms. This process is almost the same as that used to test print the 1095-C forms.

Load the actual 1095-C form stock into your printer. You will need to allow for one (1) extra form or a blank sheet of paper at the beginning of the stack. This is needed for alignment purposes.

To print the **1095-C Employee Information Returns,** choose Option 56, **Spooler**, from the Payroll/Personnel Master Menu. From the Spooler menu, choose Option 2, **Print a File**. The system will display a list of the files available to print, the print file will be named **PP1095LS.** Enter the printer name assigned by the LGC representative to print the forms. If you received the message **"PPCIRPLS created for additional Covered Individual",** be sure you print this file on the continuation forms.

The 1094-C Employer Information Return will consist of 2 or 3 pages, depending on how you answered the questions under ACA Employer File Maintenance.

To print the **1094-C Employer Information Return**, choose Option 56, **Spooler**, from the Payroll/Personnel Master Menu. From the Spooler menu, choose Option 2, **Print a File**. The system will display a list of the files available to print. The print file for page 1 will be named **PP94C1LS**. Page 2 will be named **PP94C2LS** and page 3 (if created) will be named **PP94C3LS**. Enter the printer name assigned by the LGC representative to print the forms.

To print the totals report, the print file name is **PPTOT-LS.**

NOTE: If you created separate EIN files, return to Step 5, and repeat for the next EIN until all are completed.

Electronic Filing of ACA Information Returns

Electronic filing is required if you file at least 10 information returns. Electronic filing is optional, but recommended, if you file fewer than 10 information returns. Your organization will not have access to LGC programs to build the electronic file. Instead, the extract options created above will be used by LGC to build your electronic file. LGC will build and submit the electronic file at no cost to you.

After you have completed the printing process, contact LGC Software Support. Please mention in your request that you are ready to have your ACA Electronic Files pulled. You will receive notification once the electronic file has been submitted.

If you have questions regarding the previous instructions, contact LGC Software Support, but keep in mind, LGC support staff will be able to assist only with software issues related to input and maintenance of data. If you have questions regarding who should be reported, what information should be entered, or specific questions regarding ACA rules and regulations you are encouraged to consult with your support agencies or other authorized representatives. Furthermore, LGC is not responsible for any fines or fees associated with incorrect or late filings.

Support and Navigation
Contacting Tech 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".