

Welcome!



Dominion Payroll™
Empowering Your Business

ACA Compliance

Frank Thomas

How we want you to feel about ACA this year...



Dominion Payroll™

EMPOWERING YOUR BUSINESS

What will you learn about today?

- What is new to ACA in 2017
- 2017 ACA Reporting Deadlines
- How to audit data *now* to avoid most 1095 form errors
- ACA compliance – shared responsibility notices, IRS 226J
- Next steps & helpful tools, additional resources

What's new for 2017?

Oct 10th – Final ACA forms and instructions were released by the IRS

- 1094- C Section 4980H Transition Relief has expired –line 22- C. is no longer available (box description changed to “Reserved”)
- 1095-C New paragraph to the “Instructions for the Recipient” that provides a link to the IRS Webpage on ACA’s tax provisions for individuals and families <https://www.irs.gov/affordable-care-act/individuals-and-families>

Dec 15th – iSolved final release for year end updates

Form **1094-C** | Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns | 2017

Department of the Treasury Internal Revenue Service | OMB No. 1545-2251

Go to www.irs.gov/Form1094C for instructions and the latest information.

Part I Applicable Large Employer Member (ALE Member)

1 Name of ALE Member (Employer) | 2 Employer identification number (EIN)

3 Street address (including room or suite no.)

4 City or town | 5 State or province | 6 Country and ZIP or foreign postal code

7 Name of person to contact | 8 Contact telephone number

9 Name of Designated Government Entity (only if applicable) | 10 Employer identification number (EIN)

11 Street address (including room or suite no.)

12 City or town | 13 State or province | 14 Country and ZIP or foreign postal code

15 Name of person to contact | 16 Contact telephone number

17 Reserved

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

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

Part II ALE Member Information

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

21 Is ALE Member a member of an Aggregated ALE Group? Yes No

22 Certifications of Eligibility (select all that apply):

A. Qualifying Offer Method B. Reserved C. Reserved D. 98% Offer Method

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

Signature Title Date

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 61571A Form 1094-C (2017)

2017 ACA Reporting Deadlines

DP DEADLINES

New clients needing ACA Compliance	Notify us you need reporting by December 1st, 2017
Approving your ACA Forms	Must be approved by January 5, 2018

IRS DEADLINES

1095-C or 1095-B Participant Statements	Postmarked to employees by January 31, 2017
1094-C or 1094-B Employer Statements	March 31, 2018 (electronic filing)

So... what can I do now? (the fun stuff!)



Step 1 – Verify Employment Categories

Employee Management -> Employee Maintenance -> Employment

Search the menu

EMPLOYEE MANAGEMENT

- Employee Maintenance <
- General
- Personal
- Employer I-9 Verification
- WOTC Certification
- Clock Settings
- Employment**
- Employment Status History
- Jobs
- Organization Manager/Supervi...
- Organizations

PAYROLL PROCESSING

REPORTING

CLIENT MANAGEMENT

EMPLOYEE SELF SERVICE

SYSTEM MANAGEMENT

SECURITY

PRODUCTION UTILITIES

CONVERSION MANAGEMENT

Employment

Employment:

Effective Date	Employment Category	ACA Status	Hours met for ACA FT Status
7/1/2017	Part Time	ACA Variable	
2/1/2017	Full Time	ACA Full Time	

Employment Category Information

* Effective Date:

* Employment Category:

ACA Employment Status:

Hours (e.g., Variable) met for ACA Full-time Status

Statutory Employee

Qualified Pension Plan

Highly Compensated

Corporate Officer

Ownership Percent:

Full Time Equivalent:

Change Reason:

Step 2 – Verify Medical Start and Stop Dates

Employee Management -> Employee Benefits -> Benefit Plans

Search the menu

EMPLOYEE MANAGEMENT

- Percent Distribution
- Misc Data Sets
- Misc Fields
- Override Address
- Employee Pay >
- Employee Benefits <
- Benefit Plans**
- Leave Accruals
- Group Term Life
- Accrual Balance History
- Accrual History / Indates

PAYROLL PROCESSING

REPORTING

CLIENT MANAGEMENT

EMPLOYEE SELF-SERVICE

Benefit Plans

Status: All

Start Date	Benefit	Benefit Plan
9/1/2017	Medical Pre-Tax 125	Anthem BCBS Silver

+ Add New Edit Delete Refresh Save Cancel

Benefit Plan

* Plan: Anthem BCBS Silver - Anthem BCBS Silver Class 1 Execs

* Start Date: 9/1/2017

* Coverage: EE + Spouse - Employee plus Spo

Per Pay Amount: 125.00

Stop Date:

Benefit End Reason:

Step 3 – Verify Hire, Rehire, and Termination Dates

Employee Management -> Employee Maintenance -> Employment Status History

Search the menu

- EMPLOYEE MANAGEMENT**
- Employment
- Employment Status History
- Jobs
- Organization Manager/Supervi...
- Organizations
- Labor
- Location Distribution
- Percent Distribution
- Misc Data Sets
- Misc Fields
- Override Address

PAYROLL PROCESSING

REPORTING

CLIENT MANAGEMENT

Employment Status History

Effective Date	End Date	Change Reason	Employment Status
1/1/2014	11/14/2015		Active
11/15/2015	12/15/2017		Inactive
12/16/2017			Active

+ Add New Refresh Save Cancel

Employment Status

* Employment Status: Active

* Effective Date: 12/16/2017

NOTE: To terminate or activate an employee, use the Employee General Screen.

If you are a Self Insured Company - Verify all Dependents are in iSolved

**SELF INSURED
COMPANIES ONLY!**

Employee Management -> Human Resources -> Employee Contacts

Search the menu

- EMPLOYEE MANAGEMENT**
- ACA Report Overrides
- Human Resources <
- Employee Contacts**
- Prior Employment
- Certification
- Education
- Skills
- Training
- Awards
- Disciplinary Actions

- PAYROLL PROCESSING
- REPORTING
- CLIENT MANAGEMENT
- EMPLOYEE SELF SERVICE
- SYSTEM MANAGEMENT
- SECURITY
- PRODUCTION UTILITIES
- CONVERSION MANAGEMENT

Employee Contacts

Contact Person	Relationship Code
Baby Doe	Child
Jane Doe	Spouse

+ Add New Edit Delete Refresh Save Cancel

Contact Name

* First Name:
Middle Name:
* Last Name:
Prefix:
Suffix:

Contact Info

* Relationship:
Call Order:
 Emergency Contact
 Dependent
 Beneficiary
 Hide Contact in ESS

Personal Information

SSN:
Update SSN:
Birth Date:
* Update Birth Date:
Gender:

Benefit Data

Full-time Student
 Disabled
 Tobacco Use
 Deceased

What's new in iSolved to assist with ACA Employer Compliance

- New in 2016: a new reporting “Preview Report” was created with error highlighting
- New for 2017: Employees can now choose paperless year end forms which include 1095's
- New For 2017: printed forms mailing side will display Company Code, Paygroup, OrgValue1, Org Value2, employee number information to facilitate easier hand delivery sorting and distribution



What we have done to Prepare for 2017 Compliance

- 2016 Post Processing – confirmation notification of filing electronic filing, with detailing of employer “TIN” filing errors
- Setup 2017 Reporting Year to enable client Previews of ACA reporting and forms
- October iSolved release – updated to validate dependent SSN’s (if invalid use dependent birth date), updated Employee ACA overrides for series 1 and 2 codes for 2017
- 2017 ACA Processing support – October communication sent to ACA clients with IRS Instructions for 2017
- Refresher videos coming soon! - How to Override 1095 Forms, How to approve ACA reporting, ACA Reports & Tools



Next Steps & Helpful Tools

2017 ACA Checklist: Take this home with you today

Coming Soon... New Quick Viewing Training videos:

- Where to Review & Approve ACA Forms
- How to Override 1095 Forms
- ACA Reports & Tools

2017 ACA – Client Communication Updates

- 2017 IRS Instructions for Forms 1094-C and 1095-C
- ACA 2017 Preparation Guide
- ACA 2017 Checklist
- 2016 – “TIN” error corrections

Preview 2017 ACA Forms: You can start previewing forms today



Dominion Payroll™

E M P O W E R I N G Y O U R B U S I N E S S

Main Take-Aways

✓ Deadlines

- By Dec 1st: New clients notify DP that they need ACA Reporting
- By Jan 5th: Clients must approve 2017 ACA forms in iSolved
- By Jan 31st: Clients distribute 1095 forms to employees
- By March 31st: DP to electronically file 1094 & 1095 forms with IRS

✓ Review IRS 2017 Instructions

✓ Verify that accurate employee data is in iSolved

✓ Watch for 2017 ACA – Communication updates and reminders

All clients need to Approve forms by **January 5th, 2018**

Client Management -> ACA Setup Options -> ACA Forms Approval

The screenshot shows a web application interface for ACA Forms Approval. On the left is a navigation menu with categories: EMPLOYEE MANAGEMENT, PAYROLL PROCESSING, REPORTING, CLIENT MANAGEMENT (highlighted), and HR Management. Under CLIENT MANAGEMENT, 'ACA Forms Approval' is selected. The main content area is titled 'ACA Forms Approval' and includes a 'Year' dropdown menu set to '2017'. Below this is the 'Report Type' section, showing 'ACA 1094-C and 1095-C Employer'. There are three main sections: 'Preview Report' with a 'Preview Report' button, 'Preview Forms' with a 'Preview Forms' button, and 'Approve Forms 1094/1095' with a yellow 'Approve Forms' button. At the bottom, the 'Last Approved' status shows 'Approver: asulldemo' and 'Date Approved: 10/17/2017 10:31 AM'.

Search the menu

EMPLOYEE MANAGEMENT

PAYROLL PROCESSING

REPORTING

CLIENT MANAGEMENT

Job >

ACA Setup Options <

ACA Reporting Groups

ACA Report Options

ACA Measurement Policies

ACA Non-Employee Overrides

ACA Forms Approval

Import ACA EE Overrides

HR Management >

Attendance Management >

Time Management >

Workflow Setup >

New Hire Onboarding >

Client Utilities >

Company ACH Files

ACH On-Demand Utility

COBRA Link

ACA Forms Approval

Year

*Year: 2017

Report Type

Report Type for Selected Year: ACA 1094-C and 1095-C Employer

Preview Report

Preview Report produces a condensed version of the form 1094 and 1095 data and highlights issues that should be addressed prior to approving forms.

Preview Report

Preview Forms

Preview Forms produces a full version of the form 1094 and 1095 data.

Preview Forms

Approve Forms 1094/1095

Once you select Approve Forms, the system will commit the forms to the Year End Batch Print for Service Bureau printing and filing.

Approve Forms

Last Approved

Approver: asulldemo

Date Approved: 10/17/2017 10:31 AM

November 2, 2017 - IRS Guidance released on Employer Mandate Enforcement

The IRS maintains Frequently Asked Questions (FAQ) document regarding ACA compliance for employers and until recently they had been silent regarding the enforcement of employer mandate penalties. That now has changed, and employers should expect to begin seeing penalty letters in November and December of 2017. These first letters will be for the enforcement of 2015 ACA penalties and will begin their efforts to audit compliance.

So with this update we now know a few things:

- Is the IRS going to enforce the ACA employer mandate penalties?
 - **Yes, beginning with the 2015 reporting submitted by employers.**
- When will they begin enforcing for the 2016 calendar year reporting for ACA?
 - **expected to begin in the early part of 2018.**
- How will employers be notified?
 - **This will be done through a letter called “Letter 226J” which will include all of the details about what penalties you will be responsible for paying.**
- What will be included in the IRS letter?
 - **These letters will also include a Form 14765 which will outline in detail the month that employees received tax credits for reduced health premiums from the exchange and will therefore mean the employer will own a shared responsibility payment/penalty**
- Employers will have 30 days to respond with Form 14764- ESRP Response and should setup internal / external resources for a timely review and response



Will the IRS extend “good faith efforts” penalty relief for reporting incorrect or incomplete information for 2017 filings?

- The IRS Information Reporting Program Advisory Committee (IRPAC) has recommended the IRS provide organizations more time to submit IRS filings mandated by the ACA for the 2017 tax reporting year to individuals, as it did for 2016 tax year filings.
- IRPAC also recommends the IRS extend “good faith efforts” penalty relief for reporting of incorrect or incomplete information for 2017 tax year filings. Such penalty relief was available for IRS filings made for the 2015 and 2016 tax years, but has been phased out for 2017 tax year reporting.
- Form 8809 – IRS Application to request extension to file Information returns , must be sent prior to earliest due date for 30 day extension
- The IRS has announced it will not accept electronically filed 1040 individual tax returns if line 61 is not filled in, this may result in greater interest from employees to receive their 1095’s. According to the IRS electronically filed tax returns will not be accepted until the taxpayer indicates whether they had coverage, had an exemption or will make a shared responsibility payment. Additionally paper returns may be suspended pending the receipt of additional information and any refunds may be delayed.
- <https://www.irs.gov/tax-professionals/aca-information-center-for-tax-professionals>



Additional ACA Resources

General Information:

- ACA Times – News and Information <https://acatimes.com/>
- Kaiser Family Foundation – Summary of Affordable Care Act www.kff.org/health-reform/fact-sheet/summary-of-the-affordable-care-act/
- Kaiser Health News - Daily Health Law news summaries <https://khn.org/>
- SHRM.org www.shrm.org/ResourcesAndTools/hr-topics/benefits/Pages/final-forms-2017-ACA-information-reporting.aspx

Authoritative Instructions for Compliance:

- IRS.gov www.irs.gov/affordable-care-act/affordable-care-act-tax-provisions
- IRS.gov www.irs.gov/affordable-care-act/employers/aca-information-center-for-applicable-large-employers-ales
- IRS.gov www.irs.gov/pub/irs-pdf/i109495c.pdf 2017 Instructions for Forms 1094-C, 1095-C
- IRS.gov www.irs.gov/affordable-care-act/employers/questions-and-answers-on-employer-shared-responsibility-provisions-under-the-affordable-care-act#Making Q & A Shared Responsibility Payments

Other agency sites:

- DOL.gov www.dol.gov/agencies/ebsa/laws-and-regulations/laws/affordable-care-act
- HHS.gov www.hhs.gov/healthcare/
- CMS.gov www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/index.html

For more information or
assistance:

benefits@dominionpayroll.com

866.DPS.PAYU