

ACA

Reporting Requirements for 2020



Affordable
Care Act



Every year the IRS publishes their final forms and information about ACA reporting updates and next year's reporting on the health care coverage.

All employers who are subject to the Affordable Care Act (ACA) will have to distribute reporting forms to their employees and then file with the IRS in early 2020.

Below are the forms you'll be required to file to the IRS:

- **Form 1095-B**, Health Coverage.
- Transmittal **Form 1094-B** to accompany Form 1095-B.
- **Instructions for Forms 1094-B and 1095-B.**
- **Form 1095-C**, Employer-Provided Health Insurance Offer and Coverage.
- Transmittal **Form 1094-C** to accompany Form 1095-C.
- **Instructions for Forms 1094-C and 1095-C.**

This year there are no major changes to the ACA forms from 2019. But these forms are very complex and we recommend having a company like ACA Reporter help you file these forms correctly to ensure you're on top of their data.

We will help you focus on being accurate, timely and gathering all of the required data for your ACA Reporting next year.

Records You Should Keep Track Of

Make sure to be tracking all of these records to make your ACA Reporting filing process easier. Start keeping track of every employee's hours. For every hour that an employee is available to you the employer and paid time on the job include:

- Jury duty
- Military deployment
- FMLA absence
- Leave of absence
- Vacation
- Holiday
- Illness
- Incapacity
- Layoff



ACA

[AFFORDABLE CARE ACT]

COMPLIANCE

Checklist For 2020 ACA Reporting:

- Determine ALE status for 2020 based on 2019 data.
- Check to report obligations for ALEs the self-insured group health plans, ALEs that offer fully insured group health plans and non-ALEs that self-insured group health plans.
- Determine the electronic filing status.
- Evaluate whether proper data collection is in place to meet reporting requirements.
- Review the instructions for the forms that must be completed for changes from prior years.
- Make sure Social Security number request obligations are being fulfilled.
- Have a plan for timely form completion for employee statements.
- Issue employee statements to employees on or before Jan. 31, 2019 [now extended to March 4].
- Submit required paper forms to IRS on or before Feb. 28, 2019.
- Submit required electronic forms to IRS on or before April 1, 2019.

Year-End Tasks

Towards the end of every year, you as the employer must produce a 1095-C tax form for all of your full-time employees. This should show whether they are offered health insurance and what the cost and quality is. By keeping monthly tracking records you'll see how useful it is to have a breakdown for each employee.

This is a must for every ACA-affected employer, even if you have chosen to provide coverage to your employees at no cost or by paying per job (freelance).

Additionally, you'll need to file all copies of your employee forms with the IRS by using their 1094-C transmittal forms. Make sure to pay special attention to the IRS requirement for electronic filing if you have over 250 or more 1095-C submissions.

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Form **1094-C** **Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns** CORRECTED OMB No. 1545-2251

Department of the Treasury
Internal Revenue Service ▶ Information about Form 1094-C and its separate instructions is at www.irs.gov/form1094c **2016**

Part I Applicable Large Employer Member (ALE Member)

1 Name of ALE Member (Employer) Darrtestfive		2 Employer identification number (EIN) 00-0000599	
3 Street address (including room or suite no.) 4689 Redwood Avenue			
4 City or town Austin	5 State or province TX	6 Country and ZIP or foreign postal code USA 78755	
7 Name of person to contact Susan Williamson		8 Contact telephone number (555) 123-4567	
9 Name of Designated Government Entity (only if applicable)		10 Employer identification number (EIN) 00-0000599	
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	

For Official Use Only

17 Reserved

18 Total number of Forms 1095-C submitted with this transmittal ▶ **2**

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 ▶ **322**

21 Is ALE Member a member of an Aggregated ALE Group? Yes No
If "No," do not complete Part IV.

22 **Certifications of Eligibility (select all that apply):**

A. Qualifying Offer Method B. Reserved C. Section 4980H Transition Relief 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 _____

Useful IRS Forms

Not Filing Penalties

You have until January 31, 2020, to distribute the form 1095-C to your staff members. You'll also need to file copies of each form 1095-C with the IRS by February 28, 2021.

If you fail to do so it will result in large penalties from the IRS. If you submit late or even incomplete forms you'll be subject to fees of \$250 for each form or up to \$3 million for the year. If you fail to file at all it will cost up to \$500 per form.

By using a company like ACA Reporter we'll help you stay on top of these forms and the deadlines. We offer ACA Reporting webinars and other resources to help you save time and avoid penalties. It's very important to also have an accounting team that understands these forms and can help you comply with all ACA Filing requirements.

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VOID
 CORRECTED

OMB No. 1545-2251
2016

Form 1095-C
 Department of the Treasury
 Internal Revenue Service

Employer-Provided Health Insurance Offer and Coverage
 ▶ Do not attach to your tax return. Keep for your records.
 ▶ Information about Form 1095-C and its separate instructions is at www.irs.gov/form1095c

Part I Employee				Applicable Large Employer Member (Employer)									
1 Name of employee Ida Gavitas		2 Social security number (SSN) XXX-XX-0422		7 Name of employer Gammtestfour County					8 Employer identification number (EIN) 00-0000401				
3 Street address (including apartment no.) 2845 Plum Street				9 Street address (including room or suite no.) 2845 Plum Street					10 Contact telephone number (555) 145-2365				
4 City or town West Bend	5 State or province WI	6 Country and ZIP or foreign postal code USA 53095		11 City or town West Bend		12 State or province WI			13 Country and ZIP or foreign postal code USA 53095				

Part II Employee Offer of Coverage		Plan Start Month (Enter 2-digit number):												
		All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)			1E	1E	1E	1E	1E	1E	1E	1H	1H	1H	1H	1H
15 Employee Required Contribution (see instructions)		\$	\$ 152.00	\$ 152.00	\$ 152.00	\$ 152.00	\$ 152.00	\$ 152.00	\$ 152.00	\$	\$	\$	\$	\$
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)			2C	2C	2C	2C	2C	2C	2C	2A	2A	2A	2A	2A

Part III Covered Individuals
 If Employer provided self-insured coverage, check the box and enter the information for each individual enrolled in coverage, including the employee.

(a) Name of covered individual(s)	(b) SSN or other TIN	(c) DOB (if SSN or other TIN is not available)	(d) Covered all 12 months	(e) Months of Coverage											
				Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
17			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 60705M **Form 1095-C** (2016)

Useful IRS Forms



Affordable Care Act

ACA

ACA Filing

Sections 6056 & 6055 of IRC

How about we start towards the beginning. You may have heard ACA detailing terms "6055" and "6056." A famous sentence our masters hear is, "When must I present the structure 6056?" It is imperative to note, in any case, that 6055 and 6056 are not the names of genuine IRS structures, yet the names of the areas of the Internal Revenue Code (IRC) illustrating the particular necessities for medical coverage suppliers and businesses to screen consistency with all material, social insurance law arrangements. The IRS has created specific techniques to be utilized by bosses to report the information.

Section 6055 of IRC

IRC Section 6055 needs providers of least indispensable inclusion to report certain inclusion information on a yearly premise, paying little respect to gather size. Least fundamental inclusion is depicted as qualified manager supported inclusion for business detailing reasons. In any case, it is fundamental to take note of that business who give inclusion through a completely

safeguarded understanding won't be expected to report under Section 6055 as a social insurance supplier. In these cases, inclusion will be accounted for by the medical coverage guarantor or transporter.

Section 6056 of IRC

IRC Section 6056 needs applicable huge businesses (LEAs), characterized as those with at least 50 full-time or identical full-time staff, to give, on a yearly premise, certain wellbeing inclusion information that the business has or has not given to every one of its full-time staff.

A simple method to consider the contrast somewhere in the range of 1094 and 1095 structures is to relate them to the W-3 and W-2 structures that you round out every year, wherein the 1094 structure resembles the W-3 – it's a rundown spreadsheet of all the data, and the 1095 structure resembles the W-2 – it's a point by point structure about every individual secured.

What you can do next

Most associations are essentially unfit to catch this data promptly and create the required reports. You can rely on ACA Reporter to ensure these documents get filed on time and accurate. Please contact us if you have any queries or schedule a meeting for discussing a possible partnership. We are hoping to hear from you soon!

www.ACAReporter.com