

Periodic procedure: Affordable Care Act (ACA) Overview

Note: All links are blue and underlined. Select a link to navigate to a section in this document or webpage.

Disclaimer

This document is for informational purposes only and is not intended to be legal advice or a substitute for legal advice. The information contained in this document is software-specific and may not apply to employers not using the PUBLIQ Software Payroll application. We strongly recommend that all users research the Affordable Care Act and its provisions to better understand their requirements as employers before attempting to do anything in the system. See [Affordable Care Act requirements and resources \(page 16\)](#) for more information.

Overview

Sections 6055 and 6056 of the Patient Protection and Affordable Care Act (ACA) require many employers to report specific information to the IRS about health coverage offers and enrollment. Reporting requirements depend on the employer's size and the type of coverage offered.

Applicable Large Employers (ALE) are employers with at least 50 full-time, including full-time equivalent, employees on average during the prior year. ALEs must report coverage for both self-insured and fully insured employees.

- **Fully insured.** Complete Form 1095-C, parts I and II for each full-time employee.
- **Self-insured.** Complete Form 1095-C, parts I, II, and III.
When completing part III, list each person covered by the plan, including the employee.

Complete Form 1094-C to transmit the 1095-C forms to the IRS.

Non-Applicable Large Employers (Non-ALE) are employers with fewer than 50 full-time, including full-time equivalent, employees on average during the prior year. Non-ALEs must report coverage for self-insured coverage types only.

- **Self-insured.** Complete Form 1095-B.
When completing part IV, list each person covered by the plan, including the employee.

Complete Form 1094-B to transmit the 1095-B forms to the IRS.

Due dates for 1095-B and 1095-C forms

- **January 31:** Forms are due to employees.
- **February 28:** If filing on paper, forms are due to the IRS.
- **March 31:** If filing electronically, forms are due to the IRS.

To report employee health coverage using Payroll, follow the process outlined below. Select a step for more information.

1. [Set ACA access for appropriate system users \(page 2\)](#)
2. [Create and edit employee insurance records \(page 3\)](#)
3. [Verify employee insurance coverage in Payroll \(page 8\)](#)

4. Create and file [Form 1095-B \(page 9\)](#) or [Form 1095-C \(page 12\)](#)
5. (Optional) [Issue and process corrected forms \(page 15\)](#)

Set ACA access for appropriate system users

Important: This is step 1 of the ACA filing process. For more information about ACA reporting requirements, see [Affordable Care Act Overview \(page 1\)](#).

Users must have ACA access in the Payroll system to modify and process employee insurance records.

1. From the menu bar, select **Control File > Access Levels**.
2. Select the **ACA Access** box for the appropriate user.

Access Control Level Maintenance				
User ID	User Name	Password	Access Level	ACA Access
SAM	SAMPLE USER	PAYROLL	8	<input checked="" type="checkbox"/>

3. Select **Save**.

The selected user can now create and process employee insurance records.

Create and edit employee insurance records

Important: This is step 2 of the ACA filing process. For more information about ACA reporting requirements, see [Affordable Care Act Overview \(page 1\)](#).

To print Form 1095-B or 1095-C or track an employee's offer of health coverage, you must create an insurance record in the Payroll system. Follow the process outlined below to generate insurance records for employees:

1. Run **Open Enrollment Processing** to generate employee insurance records.
2. **Import insurance data** from a third-party provider.
3. Use **Employee Insurance Maintenance** to edit and correct records as necessary.

Note: To perform these steps, users must be given ACA Access in the Control file. Click [here](#) for more instructions.

1. Run Open Enrollment Processing

In Payroll, Open Enrollment Processing allows employers to generate employee insurance records for a group of employees for a defined coverage year.

Important: You will run Open Enrollment Processing twice using different Select Options. Read all instructions before running Open Enrollment Processing.

- a. From the menu bar, select **Utilities > Special Processing > Open Enrollment Processing**.
- b. Complete the Select Options to choose which employees to include in the report. All employees are included by default.
Leave **Termination Date** set to **No**.
- c. Select **Next**.
- d. Complete the Sort Options to choose how to sort records.
- e. Select **Finish**.
- f. Enter the Open Enrollment Year and Coverage Dates.
- g. Enter additional information as necessary. **Only** complete the fields you wish to apply to all selected employees.

You can adjust individual employee records later using the Employee Insurance Maintenance screen. See [Use Employee Insurance Maintenance \(page 4\)](#) for more information.

Note: If you are an Applicable Large Employer (ALE), complete the entire page, including the table in the **Employee Offer and Coverage** section. Refer to [instructions from the IRS](#) to learn which codes to use in the table.

- h. Select **Finish**.
- i. Select **Finish** at the confirmation window to generate insurance file records.

Now, repeat these steps with **Termination Date** (Step 2) set to the desired coverage year.

If you update records with insurance data from a third party (such as PEBA or GMEBS), import the data now. If you enter insurance data manually, skip to [Use Employee Insurance Maintenance \(page 4\)](#).

2. Import Insurance Data from File

Note: You must log in as a console user to import insurance data. Contact your supervisor or system administrator for help.

Use these instructions to update existing employee insurance records with data from a third party (e.g., PEBA or GMEBS).

Warning: Back up all files and ask all other users to log off before importing data.

- a. From the menu bar, select **Utilities > Special Processing > Import Insurance Data from File**.
- b. Enter the coverage year.
- c. Select the **File Source** and **File Path/Name** (the location of the data file).
- d. Select **OK** to import the file.

Review the Import Insurance Data File Totals and Exceptions report to verify that all records imported correctly. If errors are listed on the report, correct the listed records using the instructions below.

Warning: If the file did not import correctly, contact PUBLIQ Customer Support. Don't restore a backup without assistance from PUBLIQ.

3. Use Employee Insurance Maintenance

The Employee Insurance Maintenance screen allows employers to track health coverage offers to employees, coverage types offered, and other information necessary to monitor ACA compliance. Use this screen to adjust individual employee records for a defined coverage year after running Open Enrollment Processing.

- a. In the vertical launch bar, select **Employee Insurance Maintenance**.
- b. For **ID Number**, enter the employee ID number.
- c. For **Year**, enter the appropriate coverage year. This field defaults to the current year.
- d. Select **Find**.
If an insurance record does not exist for an employee in the year entered, enter the appropriate information on this screen. [See the table below](#) for assistance.
- e. Adjust the record as necessary.
- f. Select **Save**.

Repeat this process for each employee record you need to edit.

You should now print the Insurance Coverage List to verify employee coverage in the system before filing forms with the IRS. See [Verify employee insurance coverage in Payroll \(page 8\)](#) for more information.

Table: Employee insurance record setup

Items marked with an asterisk (*) are required.

Employee Offer and Coverage section

Field label	Explanation
Coverage Offered	<p>Use the drop-down to indicate the type of coverage offered to the employee.</p> <p>The Coverage Offered does not necessarily refer to the coverage accepted. For example, your organization may offer full family coverage, but the employee opted for self-only coverage.</p>
Coverage Dates*	Enter the date that coverage under the health plan started and when it ends.
ACA Status	Use the drop-down to indicate the ACA status.
Minimum Essential Coverage	<p>Check this box if the coverage offered is considered minimum essential coverage.</p> <p>See IRS Pub. 974 for a full definition of minimum essential coverage.</p>
Minimum Value Plan	<p>Select this box if the coverage offered provides minimum value.</p> <p>According to the IRS, a minimum value plan "pays at least 60% of the costs of benefits for a standard population and provides substantial coverage of inpatient hospitalization services and physician services."</p>
Insurance Coverage Notes	Enter notes regarding changes to the employee's coverage or provide other useful comments.
Emp. Min. Monthly Cost	<p>If the employee was offered self-only minimum essential coverage providing minimum value, enter the lowest-cost monthly premium.</p> <p>This amount may not necessarily be the amount the employee is paying for coverage; for example, if the employee chose to enroll in more expensive coverage, such as family coverage.</p>
Affordability Safe Harbor (ALEs only)	<p>Use the drop-down to indicate the Section 4980H safe harbor used to determine plan affordability.</p> <hr/> <p>Note: Section 4980H only applies to ALEs.</p> <hr/>
Declined Coverage	Select this box if the employee declined the coverage offered.

Self-Insured Plan	<p>Select this box if the coverage offered is part of a self-insured plan. Most state and municipal association benefit plans are considered self-insured.</p> <p>Note: This box must be selected when printing Form 1095-B or Part III of Form 1095-C.</p>
Employee Offer and Coverage Table (includes: Offer of Coverage, Emp. Min. Monthly Cost, and Sect.4980H Safe Harbor) (ALEs only)	<p>Only complete the table if you are an ALE and required to file Form 1095-C for employees.</p> <p>Refer to instructions from the IRS to learn which codes to use in the table.</p>
Covered Individuals (Self-Insured coverage only)	<p>Complete this section only if you sponsor a self-insured healthplan. If so, select the Self-Insured Plan box described above.</p> <p>If the health plan is self-insured, enter the name of each person (employee, spouse, and dependents) insured under the employee's coverage and indicate the months they were covered.</p> <p>This information may be imported into the system if your insurance carrier provides a data file in the proper format.</p>

Form 1095 Status section

Void	Select this box to indicate the record is void.
Printed	This box indicates that either a Form 1095-B or 1095-C was posted as printed for the employee. No changes, other than corrections, are allowed to be made to the employee's insurance record if this flag is set.
—	This box indicates that either a Form 1095-B or 1095-C was filed with the IRS electronically.
Corrected	This box flags the record as a correction. Corrections can be made only after a Form 1095-B or 1095-C has been posted as printed. Corrected forms may then be resubmitted to the IRS in the same manner they were originally filed (i.e. on paper or electronically).
	Note: See the Issue and Process Corrected Forms section below for more details.
Void	Check this box to indicate that the record is void.

Transmission section

This section is only completed if filing forms electronically. The fields shown in this section are used to track the file uploaded to the IRS website and are necessary to build a correction or replacement file if such a file is needed.

Receipt ID	This field contains an alphanumeric identification code obtained from the IRS after uploading the required XML files.
Submission ID	This field contains a system-generated number that indicates the submission number of the record in the XML data file.
Record ID	This field contains a system-generated number that indicates the location of the record in the XML data file.

Verify employee insurance coverage in Payroll

Important: This is step 3 of the ACA filing process. For more information about ACA reporting requirements, see [Affordable Care Act Overview \(page 1\)](#).

The Insurance Coverage List prints records from the Employee Insurance file. Use this report to verify which employees have health coverage in the system. This report also lists additional details regarding their coverage.

1. From the menu bar, select **Enhanced Reports > Insurance Coverage Reporting > Insurance Coverage List**.
2. Select records to include in the report.
Example: Enter 2023 for **Coverage Year – Current Value** to include only insurance records for 2024.
3. Select **Next**.
4. Review the Sort Options.
5. Select **Next**.
6. Select the information to print on the report.

Note: When printing the Employee Offer and Coverage table, select **Table Detail**.

7. Select **Finish** to print the report.

If the listed records and information are correct, you are ready to report insurance coverage information to the IRS. **Non-ALEs** should file forms 1094-B and 1095-B. **ALEs** should file forms 1094-C and 1095-C. See [Form 1095-B instructions \(page 9\)](#) or [Form 1095-C instructions \(page 12\)](#) for more information.

To learn which forms to complete, see [Affordable Care Act Overview \(page 1\)](#).

Important: If insurance records are incorrect or missing, correct the files and print the Insurance Coverage List again before creating Form 1095-B or Form 1095-C. See [Create and edit employee insurance records \(page 3\)](#) for more information.

Form 1095-B instructions (Non-ALEs)

Important: This is step 4 of the ACA filing process. Before filling out Form 1095-B, print the Insurance Coverage list to verify employee coverage is accurate in the system. See [Verify employee insurance coverage in Payroll](#) for more information.

Non-ALEs who provide self-insured coverage must use Form 1095-B and 1094-B to report information to the IRS and primary beneficiaries of the plan (employees and non-employees) regarding minimum essential coverage offered.

Note: For more information about employer requirements under the Affordable Care Act, see [Affordable Care Act requirements and resources \(page 16\)](#).

File IRS copies

1. From the menu bar, select **Enhanced Reports > Insurance Coverage Reporting > Form 1095-B**.
2. Enter the appropriate coverage year.
3. Select **Finish**.
4. Complete the Print Options using the information below.
 - **Report Type:** Select **IRS Copy**.
 - **Corporation:** Use the drop-down to select the appropriate corporation.
Note: You can only print forms for one corporation at a time.
 - **Print Form 1094B:** Check this box to print Form 1094-B.
Note: If sending forms (or a file) to the IRS, you should check this box.
 - **Build File:** Select this box if filing electronically. Two files will be built, a Manifest file and a Form Data file.
Note: Both files must be uploaded on the IRS eServices website.
 - **Tax Year:** Enter the tax year for the filing (prints in the top right-hand corner of the forms).
 - **Contact First Name:** Enter the first name of the contact person the IRS should speak to if they have questions concerning your filing. *This field is required if printing Form 1094-B.
 - **Contact Last Name:** Enter the last name of the contact person the IRS should speak to if they have questions concerning your filing. *This field is required if printing Form 1094-B.
 - **Contact Person Phone #:** Enter a valid phone number the IRS can use to reach an appropriate contact person at your business or organization should they have questions concerning your filing.
 - **Title:** Enter the title (e.g., City Clerk, Human Resources Manager, etc.) of the person signing Form 1094-B.
 - **Transmitter Control Code (TCC):** Enter the 5-digit TCC number assigned to your organization when you enrolled in eServices through the IRS website. This field is required if filing electronically.
For more information, refer to [IRS Pub. 5165..](#)
5. Select **Finish** to print the forms.

Warning: Ensure the forms are correct to the best of your knowledge. Form 1095-B can't be changed once posted unless flagged as corrections.

Important: If an Exceptions report prints with errors, correct the records shown and rerun Form 1095-B.

If filing on paper, submit the forms to the IRS.

Important: The forms cannot be edited once submitted. If changes are necessary, you must issue a Corrected Form 1095-B. See [Issue and process corrected forms](#) for more information.

If filing electronically, the system builds a Manifest file and a Form Data file. A confirmation window then appears with the options **Post File as Transmitted** and **Enter Receipt ID**. Close this window for now. After transmitting forms to the IRS, you will process Form 1095-B again in Payroll to enter this information.

Upload electronic files to IRS

1. Go to the IRS eServices website.
2. Upload the **Form Data** and **Manifest** files.
The IRS confirms the upload and provides a **Receipt ID** within a few days. Save the **Receipt ID**.

When you receive confirmation that the IRS received the files, process the 1095-B forms in Payroll again to post them as transmitted.

Post files as transmitted

1. Go back to PUBLIQ Software Payroll.
2. Repeat the instructions above to process Form 1095-B.
3. Select **Finish**.
4. Select **Post Forms 1095-B as Printed**.

Warning: Ensure the forms are correct to the best of your knowledge. Form 1095-B can't be changed once posted unless flagged as corrections.

5. Select **Post File as Transmitted**.
6. Enter the **Receipt ID** from the IRS confirmation message.
7. Select **OK**.

The forms cannot be edited once posted. If changes are necessary, you must issue a Corrected Form 1095-B. See [Issue and process corrected forms](#) for more information.

Create employee copies

1. From the menu bar, select **Enhanced Reports > Insurance Coverage Reporting > Form 1095-B**.
2. Enter the appropriate coverage year.
3. Select **Finish**.
4. For **Report type**, select **Employee Copy**.
5. Enter contact information for your office.
Items marked in red text are required.
6. Select **Finish** to print the forms.

Important: If an Exceptions report prints with errors, correct the records shown and rerun Form 1095-B.

Provide the forms to your employees.

Form 1095-C instructions (ALEs)

Important: This is step 4 of the ACA filing process. Before filling out Form 1095-C, print the Insurance Coverage List to verify employee coverage is accurate in the system. See [Verify employee insurance coverage in Payroll](#) for more information.

Applicable Large Employers (ALEs) must file Form 1095-C with the IRS and provide a copy to any employee who is a full-time employee for one or more months of the year.

ALEs must report coverage for all twelve months of the calendar year for each employee. Additionally, ALEs must submit an authoritative transmittal Form 1094-C with the IRS. For more information about employer requirements under the Affordable Care Act, see [Affordable Care Act requirements and resources](#).

File IRS copies

1. From the menu bar, select **Enhanced Reports > Insurance Coverage Reporting > Form 1095-C**.
2. Enter the appropriate coverage year.
3. Select **Finish**.
4. Complete the Print Options using the information below.
 - **Report Type:** Select **IRS Copy**.
 - **Corporation:** Use the drop-down to select the appropriate corporation.
Note: Forms may only be printed for one corporation at a time.
 - **Print Form 1094C:** Check this box to print Form 1094-C.
 - **Build File:** Check this box if filing electronically. Two files will be built, a Manifest file and a Form Data file.
Note: Both files must be uploaded on the IRS eServices website.
 - **Authoritative Transmittal:** Check the box if you want this Form 1094-C to be the authoritative transmittal for the corporation selected.
Note: This option is only available if printing Form 1094-C.
 - **Aggregated ALE Group:** Check this box if the corporation is part of an Aggregated ALE Group.
 - **Qualifying Offer Method:** Check this box if using the Qualifying Offer Method.
 - **Reserved:** This field has been reserved for future use. It was formerly used for Qualifying Offer Method Transition Relief.
 - **Reserved:** This field has been reserved for future use. It was formerly used for Section 4980H Code (A or B).
 - **98% Offer Method:** Check this box if using the 98% Offer Method.
 - **Tax Year:** Enter the tax year for the filing (prints in the top right-hand corner of the forms).
 - **Contact First Name:** Enter the first name of the contact person the IRS should speak to if they have questions concerning your filing. *This field is required if printing Form 1094-C.
 - **Contact Last Name:** Enter the last name of the contact person the IRS should speak to if they have questions concerning your filing. *This field is required if printing Form 1094-C.
 - **Contact Person Phone #:** Enter a valid phone number the IRS can use to reach an appropriate contact person at your business or organization should they have questions concerning your filing.
 - **Title:** Enter the title (e.g., City Clerk, Human Resources Manager, etc.) of the person signing Form 1094-C.

- **Transmitter Control Code (TCC):** Enter the 5-digit TCC number assigned to your organization when you enrolled in eServices through the IRS website. This field is required if filing electronically. For more information refer to [IRS Pub. 5165](#).

5. Select **Finish** to print the forms.

Important: If an Exceptions report prints with errors, correct the records shown and rerun Form 1095-B.

If filing on paper, submit the forms to the IRS.

Important: The forms cannot be edited once submitted. If changes are necessary, you must issue a Corrected Form 1095-B. See [Issue and process corrected forms](#) for more information.

If filing electronically, the system builds a Manifest file and a Form Data file. A confirmation window then appears with the options **Post File as Transmitted** and **Enter Receipt ID**. Close this window for now. After transmitting forms to the IRS, you will process forms in Payroll again to enter this information.

Upload electronic files to the IRS

1. Go to the IRS eServices website.
2. Upload the Form Data and Manifest files.
The IRS confirms the upload and provides a **Receipt ID** within a few days. Save the **Receipt ID**.

When you receive confirmation that the IRS received the files, process the 1095-C forms in Payroll again to post them as transmitted.

Post files as transmitted

1. Go back to PUBLIQ Software Payroll.
2. Repeat the instructions above to create Form 1095-B.
3. Select **Finish**.
4. Select **Post Forms 1095-C as Printed**.

Warning: Ensure the forms are correct to the best of your knowledge. Form 1095-B can't be changed once posted unless flagged as corrections.

5. Select **Post File as Transmitted**.
6. Enter the **Receipt ID** from the IRS confirmation message.
7. Select **OK**.

The forms cannot be edited once posted. If changes are necessary, you must issue a **Corrected** Form 1095-C. See [Issue and process corrected forms \(page 15\)](#) for more information.

Create employee copies

1. From the menu bar, select **Enhanced Reports > Insurance Coverage Reporting > Form 1095-C**.
2. Enter the appropriate coverage year.
3. Select **Finish**.
4. For **Report type**, select **Employee Copy**.
5. Enter contact information for your office.

Items marked in red text are required.

6. Select **Finish** to print the forms.

Important: If an Exceptions report prints with errors, correct the records shown and rerun Form 1095-C.

Provide the forms to your employees.

Issue and process corrected forms

Note: For more information about employer requirements under the Affordable Care Act, see [Affordable Care Act requirements and resources \(page 16\)](#).

You may be required to submit Corrected 1094-C, 1095-C, or 1095-B forms if any of the original files were incorrect. In PUBLIQ Software Payroll, only records posted as **Printed** can be flagged for correction.

Note: There is no corrected Form 1094-B.

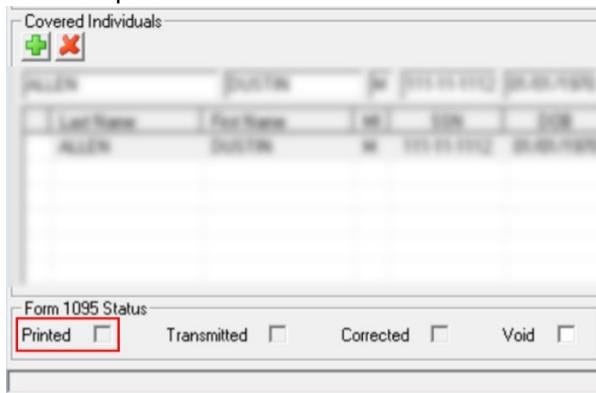
Correct a posted record

1. From the vertical launch bar, select **Employee Insurance Maintenance**.
2. Enter an **ID number** or **year**, and then select **Find** to locate the employee insurance file to correct.

Note: To search for records by employee name, select the **Name** link.

3. Select the employee file.

After selecting the employee record, go to the **Form 1095 Status** section at the bottom of the screen. If **Printed** is not checked, the record is not posted and cannot be processed as a correction. See [Form 1095-B \(page 9\)](#) or [Form 1095-C \(page 12\)](#) instructions for help posting forms as printed.



The screenshot shows a software interface for managing employee insurance. At the top, there's a section labeled 'Covered Individuals' with a '+' and '-' button. Below this is a table with columns for Last Name, First Name, and other details. At the bottom of the screen, there's a 'Form 1095 Status' section with four checkboxes: 'Printed' (which is checked and highlighted with a red box), 'Transmitted', 'Corrected' (unchecked), and 'Void' (unchecked).

4. On the horizontal toolbar, select **Issue Correction**.
5. Make changes to the record as necessary. The **Corrected** box is now checked.
6. Select **Save** to finish.
7. When finished making corrections, run Form 1095-B or 1095-C with **Report Type** set to either **Employee Copy - Corrected** or **IRS Copy - Corrected**.

After sending corrected forms to the IRS, post the records again. Repeat this process for each form you need to correct.

Affordable Care Act (ACA) reporting requirements and resources

To fully understand your responsibilities as an employer and avoid any potential penalties from failure to offer necessary health coverage or accurately report health coverage offers, it is essential to research the law and the IRS's reporting requirements. Consult legal counsel, a tax professional, or someone with a deep understanding of the Affordable Care Act, if you have any questions or concerns regarding how to complete the forms or whether or not the coverage you offer meets the minimum coverage requirements. Below are some links that may help you better understand employer responsibilities under the ACA.

Helpful Links

Affordable Care Act Tax Provisions for Employers

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

About the ACA

<https://www.hhs.gov/healthcare/about-the-aca/index.html>

Instructions for Forms 1094-B and 1095-B

<https://www.irs.gov/pub/irs-pdf/f109495b.pdf>

Instructions for Forms 1094-C and 1095-C

<https://www.irs.gov/pub/irs-pdf/f109495c.pdf>

If filing forms electronically (required if filing 50+ information returns), you must first register online and apply for a Transmitter Control Code (TCC). For more information, refer to the following links:

PUBLIQ ACA Electronic Filing Instructions

See the Affordable Care Act (ACA) Electronic Filing Instructions on the [Periodic Procedures](#) webpage.

IRS Registration Services

<https://la1.www4.irs.gov/e-services/Registration/index.htm>

Publication 5165, Guide for Electronically Filing ACA Information Returns

<https://www.irs.gov/pub/irs-pdf/p5165.pdf>