

2024 ACA REPORTING GUIDE

NAVIGATE ACA COMPLIANCE WITH
CONFIDENCE



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BACKGROUND

The Affordable Care Act (ACA) was signed into law in March of 2010, with the intent to expand coverage, control health care costs, and improve the healthcare delivery system. Two key components of the act include the individual mandate and the employer mandate.

Technically, U.S. citizens and legal residents are required by the ACA to have qualifying health coverage, though there is no longer a penalty to enforce it. The tax penalty enforcing the individual mandate was eliminated after 2018 by the Tax Cuts and Jobs Act of 2017.

Employers with 50 or more full-time employees (including full-time equivalent (FTE) employees) are required by the ACA to offer qualifying health coverage or potentially face penalties based on whether any of their employees receive premium tax credits for their qualifying coverage.

Employers are not only responsible for offering coverage, but also for reporting under Sections 6055 and 6056 on the offer of coverage to each individual as well as other plan details.

In general, the reporting process will work in the same way as the current W2 reporting. Form 1095 will be sent to the IRS with a copy provided to the employee/participant. The exact information provided to the IRS will depend on a number of factors, in particular whether the employer plan is self-insured or fully-insured.

In addition to providing a 1095 for each applicable employee and covered individual, employers must file at least one 1094 form with the IRS. (Most employers will use 1094-C.) Form 1094 provides summary employer plan and offer of coverage information.

The following table outlines which parts of each form apply based on the type of employer and plans offered. Note that an applicable large employer (ALE) who offers both a fully insured and a self-insured plan to employees will complete different portions of Form 1095, depending on which plan the individual has selected.

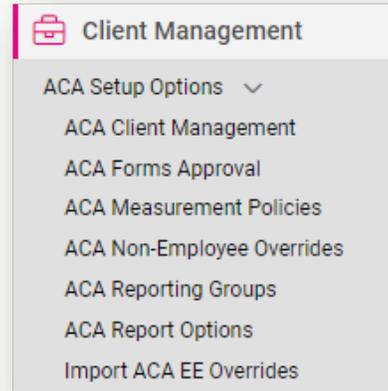
Companies with a common owner (or that are otherwise related under section 414 of the Internal Revenue Code) are combined and treated as a single owner when determining ALE status. If the combined number of full-time and FTE employees for the group meets the definition of an ALE, then each employer in the group (an ALE member) is subject to ACA, even if separately the employer would not be.

	Applicable Large Employer Fully Insured Plan	Applicable Large Employer Self-Funded Insured Plan	Small Employer Self-Insured Plan
1095-C	Part I: Employee & Employer Info Part II: Offer of Coverage (eligibility) info	Part I: Employee & Employer Info Part II: Offer of Coverage (eligibility) info Part III: Info on Covered Individuals*	
1094-C	Parts I & II: Employer Info Part III: Monthly Employer Plan Info Part IV: Aggregate Group Detail	Parts I & II: Employer Info Part III: Monthly Employer Plan Info Part IV: Aggregate Group Detail	
1095-B		Self-Funded employers may optionally use 1095-B instead of the "C" forms to report covered "non-employees" (Retirees, COBRA, etc.)	Part I, II & III: Employer Info Part IV: Info on Covered Individuals
1094-B			Basic Employer Information (No plan or eligibility information required)

GETTING STARTED - ACA SETUP OPTIONS

Ahola has pre-filled some of these fields, but it is each client's responsibility to review the setup screens and verify this information for accuracy.

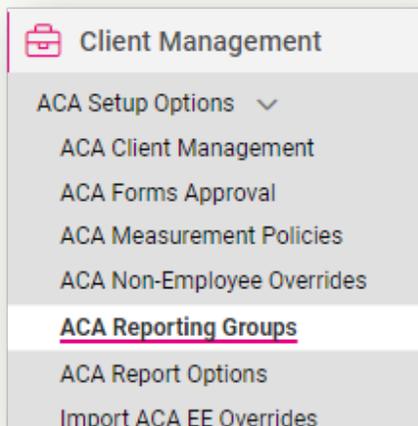
In order to track the eligibility and report accurately, the setup options under **Client Management >> ACA Setup Options** must be completed. All fields are editable so clients can change any of these fields if they deem them incorrect.



ACA REPORTING GROUPS

The Reporting Groups feature allows you to report the legal name and FEIN of all related entities within your aggregate group, including companies that are not processing within the **isolated platform**. Clients that do not have related entities or other affiliated companies do not need to create a group.

The Reporting Groups tab (**Client Management >> ACA Setup Options >> ACA Reporting Groups**) allows users to set up two different types of groups - a Designated Governmental Entity (DGE) or Other ALE Members of an Aggregate ALE Group. A user may need to set up only one type of group, both types of groups or no group at all. Certain affiliated employers with common ownership or employers that are part of a controlled group are considered part of an aggregated group.



Review the Reporting Groups set up for accuracy and complete information. Based on information that our clients have provided to Ahola; we have created reporting groups for clients with known associated business entities. Review the set-up of these groups, and if there are no changes needed, proceed to ACA Report Options.

If you are not part of an Aggregate ALE Group or a government entity (DGE) this step is not required.

Clients that have no related businesses processing with Ahola and no Reporting Group set up will look like this:

The screenshot shows a software interface for setting up a reporting group. At the top, there is a toolbar with icons for '+ Add New', 'Edit', 'Delete', 'Refresh', 'Save', and 'Cancel'. The main area is divided into three sections: 'Identification', 'Additional Group Members', and 'Group Members'. In the 'Identification' section, the '*Group Name' field is empty, and the '*Group Type' dropdown menu is set to 'Aggregate ALE Group'. The 'Additional Group Members' section contains the text 'No additional group members have been added to this reporting group.' and a '+ Add Legal' button. The 'Group Members' section is split into two columns: 'Available Legal Companies' and 'Selected Legal Companies'. The 'Available Legal Companies' column has a search bar and three items: 'Select All Values', 'Select Filtered Values', and 'Shellie Test Company #3'. The 'Selected Legal Companies' column has a search bar and two items: 'Deselect All Values' and 'Deselect Filtered Values'.

If you do not have related entities which need to be listed on your 1094 forms, it is not necessary to make any changes or set up a Reporting Group.

To edit existing Group information: select Edit and make changes as needed to add or remove businesses from the Group under Selected Legal Companies. Additional Group members may be added by selecting +Add Legal and entering the company's legal name and FEIN. When finished, be sure to save any changes.

The screenshot shows the same software interface as the previous one, but with populated fields. In the 'Identification' section, the '*Group Name' field is filled with 'Ohio Wine Group', and the '*Group Type' dropdown menu is still 'Aggregate ALE Group'. The 'Additional Group Members' section now has a table with two columns: '*Legal Name' and '*FEIN'. The first row contains 'Beverage Distribution Unlimited' and '123456789'. There are 'Done' and 'Cancel' buttons next to the table, and a '+ Add Legal' button below it. The 'Group Members' section remains the same as in the previous screenshot, with 'Olivia's Exclusive Wine Club' in the 'Available Legal Companies' column and 'Carr's Wine Company Inc. (The Wrath of ...' in the 'Selected Legal Companies' column.

Use the information below to assist you in completing the required fields:

Group Name (Required field)

- Enter the name of the Group in this free-entry field.
- This field does not display on any forms.

Group Type (Required field)

- Allows selection of Aggregate ALE Group or Designated Governmental Agency (DGE).
- Selecting Aggregate ALE Group and completing the applicable fields will populate Form 1094-C Part IV Other ALE Members of Aggregated ALE Group.
- Selecting DGE and completing the applicable fields will populate the applicable lines (9-16) of Part I of Form 1094-C.

Group Members

- This section displays current legal companies that exist within isolved that can be added as an Aggregated ALE Group member or a Designated Government Entity (DGE).
- Available Legal Companies to be displayed as part of the Group must be moved to the **Selected Legal Companies** list.
- Members selected for the Aggregated Group member type will populate on Form 1095-C Part IV lines 36-65.

Additional Group Members

- Allows for display of related companies as part of the Group when those entities are not listed in the Available Legal Companies list in isolved.
- Requires entry of the legal name and FEIN of any additional ALE group members the filing entity must report which do not exist within the client code in isolved.
- Additional group members can be added or deleted at any time.
- Additional group member name and FEIN will populate on Form 1095-C Part IV lines 36-65.

Designated Governmental Entity

- This section allows a user to enter the demographic data required on Form 1094-C for filing as a Designated Governmental Entity. This information will populate Form 1095-C Part I lines 9-16.

If you have made changes to any of your data in the Reporting Group, be sure to **Save** your changes before navigating away from this screen.

ACA REPORT OPTIONS

Go to **Client Management >> ACA Setup Options >> ACA Report Options**.

Be sure to review all of the information on the ACA Report Options screen. Some information will be populated by the information you have provided to Ahola, but several of the fields on this screen must be completed by the client, based on your plan offerings.

The screenshot displays the 'ACA Report Options' interface. On the left, a sidebar lists years from 2019 to 2024, with 2024 selected. The main area is titled 'Report Options' and includes a toolbar with 'Add New', 'Edit', 'Delete', 'Refresh', 'Save', and 'Cancel'. Below the toolbar, there are three main sections: 1. 'ACA Reporting Year' with a dropdown set to 2024 and radio buttons for '1094/1095-B Forms' and '1094/1095-C Forms' (selected). 2. 'Safe Harbor Affordability Options' with a dropdown for 'Default Calculation' set to 'Section 4980H Form W-2' and a checkbox for 'Override Calculation for Group'. 3. 'ACA Reporting Group' with fields for 'Reporting Group' (Otio) and 'Assigned Sort Order'. Below these is a table of 'Available Months' with 'Select All Values' and individual month buttons (January, February, March, April). At the bottom, 'ACA Certifications of Eligibility' includes a checkbox for 'Qualifying Offer Method' and a radio button for 'COB: Offer Method'.

When reviewing information on this screen, verify that you are reviewing the current information by confirming that the correct reporting year is highlighted and that the proper year is displayed in the required **ACA Reporting Year** field in the middle of the screen.

To change existing information or enter new or additional information on this page, select **Edit**.

Reporting Year – format YYYY (prefilled by Ahola)

ACA Reporting Forms – The appropriate forms type for your company should be indicated here. (Prefilled by Ahola) 1095-B forms should only be selected if your plan is self-funded AND you have less than 50 FTE.

ACA Company Contact – Drop-down box pulls from Client Contacts list. Verify that the contact listed and their associated Primary Phone number are correct. (**Client Management >> Client Maintenance >> Contacts**). Changes to Contact information or phone number must be made by Ahola (prefilled by Ahola)



The following sections are to be completed by the employer.

Employee Count Based On - (Only Aggregate ALE Groups need to complete. Selections should be consistent across group members.) An employer must choose to use one of the following days of the month to determine the number of employees per month and must use that day for all months of the year:

- The first day of each month;
- The last day of each month;
- The 12th day of each month;
- The first day of the first payroll period that starts during each month;
- The last day of the first payroll period that starts during each month (provided that for each month that last day falls within the calendar month in which the payroll period starts).

ACA Certifications of Eligibility - This section is only available if Reporting Form 1094/1095-C is selected.

- An employer may select all options that apply.
- Options in this section refer to Part II line 22 boxes A, B C and D on Form 1094-C.
- Any box checked will populate the corresponding box(es) on Form 1094-C.

Safe Harbor Affordability Options – The default for this field is W2. If your company uses the Rate of Pay Safe Harbor or different Safe Harbor rules based on eligibility rules, those should be selected here.

ACA Reporting Group – (Only Aggregate ALE Groups need to complete.) When an Aggregate ALE Group is set up under Reporting Groups, it displays in this section.

- Checking the applicable months or turning on the “All Months” ON switch in this section will populate Part III, column (d) of Form 1094-C to indicate when the company was a member of the Aggregate ALE Group.

Note: Questions on how to complete this section should be referred to the employer’s Benefit Broker/Healthcare Provider.

If you have made changes to any of your data, be sure to **Save** the changes.

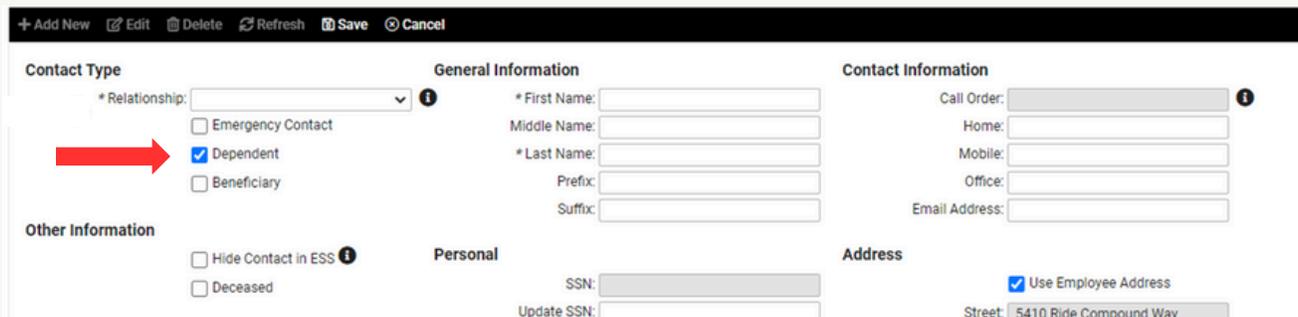
Note: To the left of the “Report Options” tab is a “Year” column. If you wish to see how this page was completed for a previous year just click on the appropriate year and that year’s data will be displayed.

EMPLOYEE CONTACTS (THIS SECTION APPLIES TO SELF-INSURED PLANS ONLY)

If you are not self-insured, skip to the next section entitled “1094 and 1095-C Forms Overview”.

If you are a self-insured plan, covered individuals (including spouses and dependents) are populated from the Employee Contacts page (**Employee Management >> Human Resources >> Employee Contacts**).

To enter your information, find the applicable employee and then select **Add New**.



The screenshot shows a web form for adding a new employee contact. At the top, there are navigation buttons: '+ Add New', 'Edit', 'Delete', 'Refresh', 'Save', and 'Cancel'. The form is divided into several sections:

- Contact Type:** Includes a dropdown for '* Relationship:' and three checkboxes: 'Emergency Contact', 'Dependent' (checked), and 'Beneficiary'. A red arrow points to the 'Dependent' checkbox.
- Other Information:** Includes checkboxes for 'Hide Contact in ESS' and 'Deceased'.
- General Information:** Includes input fields for '* First Name:', 'Middle Name:', '* Last Name:', 'Prefix:', and 'Suffix:'.
- Personal:** Includes input fields for 'SSN:' and 'Update SSN:'.
- Contact Information:** Includes input fields for 'Call Order:', 'Home:', 'Mobile:', 'Office:', and 'Email Address:'.
- Address:** Includes a checked checkbox for 'Use Employee Address' and a text field for 'Street:' containing '5410 Ride Compound Way'.

- Fields designated with an asterisk are required fields and must be completed.
- The Dependent box must be checked for the dependent to appear on Form 1095-B or 1095-C.
- Dependents must be entered before the Coverage Overrides can be completed.
- Must have DOB if SSN is not available;
 - Employers must document three reasonable attempts to obtain SSN

Employers must show that they have made a reasonable attempt to acquire the SSN of all covered individuals, including spouses and dependents, before using the DOB as an alternative. The IRS has provided guidance on demonstrating that a reasonable attempt to acquire the SSN has been made. Employers should familiarize themselves with this guidance before choosing to use the DOB in column (c).

If you have made changes to any of your data, be sure to **Save** the changes.

At this point all the preliminary setup information has been completed. Employers are now ready to review their plan and employee information and preview forms.

1094 AND 1095-C FORMS OVERVIEW

Employers with 50 or more full-time employees (including full-time equivalent (FTE) employees) use Forms 1094-C and 1095-C to report the information required under sections 6055 and 6056, about offers of health coverage and enrollment in health coverage for their full-time equivalent employees. These annualized statements detail the offering or non-offering of coverage, regardless of the employee's participation in the plan. Forms must be provided to both active and terminated employees employed in the reporting year.

Form 1094-C must be used to report to the IRS summary information for each employer and to transmit Forms 1095-C to the IRS. Form 1095-C is used to report information about each employee.

In addition, Forms 1094-C and 1095-C are used in determining whether an employer owes a payment under the employer shared responsibility provisions of section 4980H. Form 1095-C is also used in determining eligibility of employees for the premium tax credit.

Employers that offer employer-sponsored self-insured coverage also use Form 1095-C to report information to IRS and to employees about individuals who have minimum essential coverage under the employer plan and therefore are not liable for the individual shared responsibility payment for the months that they are covered under the plan.

Form 1094-C is a transmittal "cover sheet" submitted to IRS with the 1095-C forms. It contains summary information for each employer including certifications of eligibility, aggregate group member information and any transition relief which may apply. Form 1095-C is a statement reporting on offers of coverage to employees. It is submitted to the IRS and the employee or plan participant. For large, self-insured employers it also provides covered participants with the information necessary to show compliance with the ACA individual mandate.

600120

Form **1095-C**
Department of the Treasury

Employer-Provided Health Insurance Offer and Coverage

Do not attach to your tax return. Keep for your records.

VOID

OMB No. 1545-2251

CORRECTED

2021

Part I Employee			Applicable Large Employer Member (Employer)											
1 Name of employee (first name, middle initial, last name)	2 Social security number (SSN)	7 Name of employer	8 Employer identification number (EIN)											
3 Street address (including apartment no.)		9 Street address (including room or suite no.)		10 Contact telephone number										
4 City or town	5 State or province	6 Country and ZIP or foreign postal code	11 City or town	12 State or province	13 Country and ZIP or foreign postal code									
Part II Employee Offer of Coverage			Employee's Age on January 1				Plan Start Month (enter 2-digit number)							
All 12 Months			Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec

Which parts of the 1095-C do employers have to complete?

- ALEs that sponsor fully-insured plans must complete Parts I and II, but are not required to complete Part III (which details the coverage provided on a monthly basis.)
 - The carrier providing the fully-insured coverage will also report to the IRS and issue a 1095 to covered individuals containing the coverage related information.
- ALEs that sponsor self-funded plans must complete all three parts of the 1095-C
- ALEs that sponsor both fully-insured and self-funded plans are required to fill out Parts I and II for all full-time employees, and to complete Part III only for individuals who are covered by a self-funded plan.

HOW FORM 1095-C IS POPULATED

Part I

Lines 1-6 - Employee demographic information is taken from the Employee General fields (**Employee Management >> Employee Maintenance >> General**).

Only employees that are considered full-time will receive a 1095-C. Full-time status is based on the information in the employee’s Employment screen (**Employee Management >> Employee Maintenance >> Employment**), and any employees with an Employment Category of ‘Full Time’ and ACA Employment Status of ‘ACA Full Time’ will receive forms for the reporting year. Part-time employees with an ACA Status of ‘ACA Variable’ will produce forms if the ‘ACA Hours Met’ field has been checked to indicate they are considered full-time for ACA purposes because they have met the ACA full-time hours threshold of 30 or more hours per week. This reporting includes those that were full-time (or part-time and benefit-eligible) and terminated in the current reporting year.

Lines 7-13 - Employer demographic information is taken directly from your Legal Company fields (**Client Management >> Client Maintenance >> Legal Company**).

PART II

Part II Employee Offer of Coverage	Employee's Age on January 1							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)													
15 Employee Required Contribution (see instructions)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)													
17 ZIP Code													

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 60705M Form 1095-C (2021)

The 'Employee's Age on January 1' field is related to offerings of ICHRA coverage. This field will only populate when codes 1L, 1M, 1N, 1O, 1P, 1Q, 1R or 1S are populated on Line 14. If ICHRA coverage is not offered, this field will remain blank.

'Plan Start Month' field will populate based on your Benefit plan set up and will populate the two-digit code that corresponds to your plan's start date (e.g., plans that run January – December will populate code '01').

Lines 14-16 are populated based on eligibility rules of Benefit plans to determine if an employee was offered coverage. If the employee was eligible for a plan(s), the system will code it as being offered to the employee on this line. If necessary, populated codes can be changed by using the Employee Override screens located under **Employee Management >> Employee Benefits >> ACA Report Overrides**.

ACA REPORT OVERRIDES – EMPLOYEE INFORMATION

In some instances, it may be necessary to override system ACA information for an employee. If you find that you need to make changes to the codes that are populating for an employee, navigate to **Employee Management >> Employee Benefits >> ACA Report Overrides**.

Select the employee requiring corrections from the Employee List.

Legal Name	Pay Group	Employee ID	First Name	Preferred Name	Middle Name	Last Name	SSN	Status
Carr's Wine Company ...	Hourly EE	1205	Shane		L	Adamski	111-22-3337	Active
Carr's Wine Company ...	Salary EE	1232	Kane			Allen	128-67-5309	Active
Carr's Wine Company ...	Hourly EE	1235	Kristen		M	Ashley	123-25-5353	Active
Carr's Wine Company ...	Salary EE	1246	Anne			Bahr	123-45-6781	Active
Carr's Wine Company ...	Hourly EE	1230	Armando			Baidino	216440	Active
Carr's Wine Company ...	Salary EE	1244	Jericho			Barons	123456	Active
Carr's Wine Company ...	Hourly EE	1222	Heidi			Benedict	330419	Active

TIPS FOR ENTRY

- Use the arrows to move back and forth between employees in the list.
- Use the grid to display the list of employees.
- Use the magnifying glass to search by employee's last name.
- Only the month(s) requiring correction need to be populated for the correction.



Select **Add New** from the black action bar and type in the ACA Reporting Year needing corrections. Enter override corrections information before saving, as saving prior to entering overrides will produce the error message: **‘Must select at least one override’**

Note: To the left of the override code fields is a “Year” column. If you wish to see if this employee record had override information entered for a previous year, just click on the appropriate year and that year’s data will be displayed (if applicable overrides were used).

The **‘ZIP Code’** section of the ACA Report Overrides screen is only applicable for individual coverage HRAs where the employee’s primary residence or employment site ZIP Code is used to determine affordability.

The **‘Coverage Overrides’** section is only applicable for self-funded medical plans or COBRA coverage for individuals and/or dependents not enrolled in coverage through the Benefits portion of isolved. If your plan is not self-funded or COBRA, do not make changes here.

ACA Reporting Year

- Required field

Plan Start Month

- Required field
- 2-digit code indicating the month that your plan begins (Jan = 01, Feb = 02, etc.)

Code Series 1 (Form 1095-C Line 14) This line indicates:

- If an employee was offered coverage.
- Whether offered coverage was minimum essential coverage (MEC) and minimum value (MV) or Affordable.
- Indicates which months coverage was offered.
- This line is required to have a code for each month or in the “All 12 Months” box, even if the employee was not full time for one or more of the calendar months.

If Override Codes are Used:

- Only the month(s) requiring correction need to be populated for the correction.
- If any of the prepopulated values are incorrect for any month, enter the code from the list below that indicates the type of health care coverage offered to the employee. If the employee was not offered coverage, enter Code 1H (no offer of coverage) in the applicable month(s).
- All prepopulated codes that are not manually overridden will remain in effect and only the fields entered will be changed.
- If the type of coverage offered was the same for all 12 months, you may enter the applicable code in the “All 12 Months” box instead of in each monthly box.
- Special Note for Aggregate Groups: An employee that worked for more than one employer in your aggregate group during the year should only be reported under one group. Choose the employer group under which the employee worked the most hours.

Form 1095-C Line 15 - This line indicates:

- Shows lowest cost “Employee Only” monthly coverage offered to employee.
- Only populates if lowest cost monthly amount offered is above a certain percentage of the Federal Poverty Line (FPL) as established by the IRS. Both the percentage and the FPL amount change year to year.
- This figure does not necessarily indicate the amount that the employee actually pays.
- This line is not required; however, it is in your company’s best interest to populate for the appropriate months if the amount offered is above the percentage of the FPL for the reporting year.
- Forms populating a ‘1A’ code in Line 14 will produce blanks in Line 15 due to the qualifying offer that code 1A designates. IRS does not want to see an amount in this line if it is below the established threshold for the reporting year.

If Override Codes are Used:

- Can select a code for “All Months” or by month.
- Complete Line 15 only if Code 1B, 1C, 1D, 1E, 1J, 1K, 1L, 1M, 1N, 1O, 1P, 1Q, 1T or 1U is entered on Line 14 either in the “All 12 Months” box or in any of the monthly boxes. Enter the amount of the employee share of the lowest-cost monthly premium for self-only minimum essential coverage providing minimum value that is offered to the employee. Enter the amount including cents.
- If the employee required contribution share for the lowest-cost, self-only plan for a month is covered by the employer (zero cost) enter “0.00”. Do not leave this field blank when Line 14 codes are other than 1A.

Following is a summary of the codes used on Line 14. For the actual language, please refer to <https://www.irs.gov/pub/irs-pdf/i109495c.pdf> for the form and instructions.

Code	Description	When Should the Code be Used?	How Common	*Line 15 Required
1A	Qualifying Offer of Coverage – Minimum essential coverage (MEC) providing minimum value (MV) offered to full-time employee with Employee Required Contribution for single coverage equal to or less than 8.39% of Federal Poverty Level (\$101.94/month in 2024 in the lower 48 states and Washington, DC.; \$127.32 for Alaska and \$117.25 for Hawaii) and at least minimum essential coverage (MEC) is offered to spouse and dependent(s)	<ul style="list-style-type: none"> Offered Family coverage, and Offered MEC providing MV, and Coverage is affordable because it is equal to or below the established % of the federal poverty level (FPL) determined by IRS for the reporting year 	Common	
1B	Coverage Offered to EE Only - Offer of MEC providing MV to Employee only	<ul style="list-style-type: none"> Coverage not offered to spouse or children 	Rare	Yes
1C	Coverage Not Offered to Spouse - Offer of MEC providing MV coverage to Employee + at least MEC offered to dependent(s) (But not spouses)	<ul style="list-style-type: none"> Spouses not included in coverage 	Some	Yes
1D	Coverage Not Offered to Children - Offer of MEC providing MV coverage to Employee and at least MEC offered to Spouse (But not dependent(s))	<ul style="list-style-type: none"> Children not included in coverage Do not use if coverage to spouse is offered conditionally – use 1J 	Rare	Yes
1E	MEC and MV Coverage Offered to EE – MEC providing MV coverage offered to Employee; at least MEC offered to spouse and dependent(s)	<ul style="list-style-type: none"> Coverage may not be affordable Coverage is affordable based on either W2 earnings or rate of pay Do not use if coverage to spouse is offered conditionally – use 1K 	Common	Yes
1F	Coverage does not Provide MV - MEC offered to Employee, spouse and/or children, but does not provide MV	<ul style="list-style-type: none"> Coverage does not provide MV 	Some	
1G	Self-Insured Coverage Offered - Self-funded plan offered to an Employee who was not a full time (FT) employee for any month in the year or a non-Employee	<ul style="list-style-type: none"> Only used with a Self-Insured Plan Non-Full-Time employees are eligible for the plan Dependents that have independently elected COBRA or other people that are offered benefits but are not on the payroll (Board of Directors, S-Corp presidents, etc.) This code applies for the entire year, or not at all 	Rare	

Code	Description	When Should the Code be Used?	How Common	*Line 15 Required
1H	No Offer of Coverage – Coverage was not offered or was not considered MEC for the Employee	<ul style="list-style-type: none"> • EE was in a limited non-assessment period • EE was not employed yet • EE was ineligible for coverage • Coverage was not considered MEC • Coverage was not offered for the entire month* • EE was terminated and offered COBRA coverage 	Common	
1J	Offer MEC providing MV coverage to employee and at least MEC conditionally offered to spouse (But not dependent(s))	<ul style="list-style-type: none"> • When coverage that is offered to EE is only offered to spouse if he/she does not receive an offer of coverage from his/her employer • No coverage offered to dependent children 	Some	Yes
1K	MEC providing MV coverage offered to employee; at least MEC offered to dependents and MEC conditionally offered to spouse	<ul style="list-style-type: none"> • When coverage that is offered to EE and dependent children is only offered to spouse if he/she does not receive an offer of coverage from his/her employer 		Yes
1L	Individual coverage HRA offered to employee only with affordability determined by Employee's primary residence location ZIP code	<ul style="list-style-type: none"> • Affordability for HRA offered is determined using the EE's primary residence ZIP code • Offered to employee only 		Yes
1M	Individual coverage HRA offered to employee and dependents only (not spouse) with affordability determined by Employee's primary residence location ZIP code	<ul style="list-style-type: none"> • Affordability for HRA offered is determined using the EE's primary residence ZIP code • Offered to employee and children only 		Yes
1N	Individual coverage HRA offered to employee, spouse and dependents with affordability determined by Employee's primary residence location ZIP code	<ul style="list-style-type: none"> • Affordability for HRA offered is determined using the EE's primary residence ZIP code • Offered to employee, spouse and children 		Yes
1O	Individual coverage HRA offered to employee only using Employee's primary employment site ZIP code affordability safe harbor	<ul style="list-style-type: none"> • Affordability for HRA offered is determined using the EE's employment site ZIP code • Offered to employee 		Yes
1P	Individual coverage HRA offered to employee and dependents only (not spouse) using Employee's primary employment site ZIP code affordability safe harbor	<ul style="list-style-type: none"> • Affordability for HRA offered is determined using the EE's employment site ZIP code • Offered to employee and children 		Yes

Code	Description	When Should the Code be Used?	How Common	*Line 15 Required
1Q	Individual coverage HRA offered to employee, spouse and dependents using Employee's primary employment site ZIP code affordability safe harbor	<ul style="list-style-type: none"> Affordability for HRA offered is determined using the EE's employment site ZIP code Offered to employee, spouse and children 		Yes
1R	Individual coverage HRA that is NOT affordable offered to Employee; Employee and spouse, or dependents; or Employee, spouse and dependents	<ul style="list-style-type: none"> HRA that is offered is not considered affordable 		
1S	Individual coverage HRA offered to an individual who was not a full-time employee	<ul style="list-style-type: none"> HRA that is offered to an employee that was not Full Time 		
1T	Individual coverage HRA offered to employee and spouse only (not dependents) with affordability determined by Employee's primary residence location ZIP code	<ul style="list-style-type: none"> Affordability for HRA offered is determined using the EE's primary residence ZIP code Offered to employee and spouse only 		Yes
1U	Individual coverage HRA offered to employee and spouse only (not dependents) with affordability determined by Employee's primary employment site ZIP code	<ul style="list-style-type: none"> Affordability for HRA offered is determined using the EE's primary employment site ZIP code Offered to employee and spouse only 		Yes

**An offer of coverage means that you provide coverage for every day of a calendar month. If a terminated employee would have been covered for the entire month, if not for being terminated, they are an exception to this rule.*

Code Series 2 (Form 1095-C Line 16) This line indicates:

- If the employee was employed during the month, and whether they were full time or part time.
- The employee was enrolled in coverage – it is not necessary to indicate waived plans.
- If the employer is eligible for transition relief as an employer with a non-calendar year plan or as a contributor to a union health plan.
- Acknowledges if coverage was affordable or not, and which IRS safe harbor this is based on.
- This line is not required by IRS; however, if you or the system have placed codes 1B-1E or 1J-1Q, 1T or 1U in line 14, it is in your company's best interest to see if one of the 2 series codes will work here.

Note: There is no code to enter on line 16 to indicate that a full-time employee offered coverage either did not enroll in the coverage or waived the coverage.

If Override Codes are Used:

- Can select a code for "All Months" or by month.
- If an employee has elected coverage for the month, the employer must use Code 2C even if other codes may also apply.
- Line 16 would not be completed when a full-time ongoing employee is offered coverage but does not participate in the plan, and the employee is not using any of the employer affordability safe harbors, the non-calendar year transition relief, or the multi-employer plan interim relief. On the isolved platform use the drop-down menu to choose the word BLANK when it is necessary to override a populated code in this field.

Note: If the system leaves this line blank and has calculated a code of 1B-1E, 1J-1Q, 1T or 1U in line 14, we caution you to double check the amount of the offer to the employee.

The combination of codes 1B-1E, 1J-1Q, 1T or 1U in line 14 and a blank line 16 may indicate to IRS that you offered MEC and MV coverage to the employee that was NOT affordable.

IRS penalty letters to the employer may be generated because of this.

The following is a summary of codes for Line 16. For the actual language please refer to <https://www.irs.gov/pub/irs-pdf/i109495c.pdf> for the form and instructions.

Code	Description	When Should the Code be Used?
2A	Employee not employed any day that month. Also used for employees on COBRA	<ul style="list-style-type: none"> EE had not been hired yet; do not use for the month they are hired in if hired mid-month EE was terminated; do not use for the month in which they were terminated Do not use this code for months in which the individual was employed on any day in the calendar month
2B	Employee is not full-time; can be used for termination month if the Employee is not offered coverage for the entire month of termination	<ul style="list-style-type: none"> EE is Part Time, Seasonal or a Variable hour employee Employee is in a Measurement Period and FT status has not been established EE terminated in this month
2C	Employee is enrolled for entire month in coverage offered. Spouse and/or dependent enrollment is not relevant to the use of this code; it is used to report the employee's enrollment only (use this code first before any other codes that may also apply)	<ul style="list-style-type: none"> EE accepts and is enrolled in offered coverage for each day of the month This code indicates employee had coverage Do not use this code if 1G is entered on Line 14 or individual is enrolled in COBRA coverage
2D	Employee in a limited non-assessment period (LNAP) (i.e., waiting period or initial measurement period)	<ul style="list-style-type: none"> Any month that the EE was in an LNAP EE is in an Initial Measurement Period EE is in a Waiting period for Initial or Standard Measurement Period EE is in the first calendar month of employment, and started employment mid-month First year as an Applicable Large Employer (ALE) EE has a change in status in their Initial Measurement Period
2E	Multi-employer plan interim relief	<ul style="list-style-type: none"> Month that the EE would fall under the multiemployer interim guidelines A portion of your workforce is eligible for a multiemployer (union) plan, and you make an ongoing contribution to that plan on behalf of your employees

2F	Coverage offered is affordable based on Section 4980H Form W2 Safe Harbor	<ul style="list-style-type: none"> • Employer used the section 4980H Form W2 Safe Harbor to determine affordability • If the W2 safe harbor method is used for an employee, it must be used for all months of the calendar year for which the employee is offered coverage
2G	Coverage offered is affordable based on Section 4980H Federal Poverty Level Safe Harbor	<ul style="list-style-type: none"> • Employer used the section 4980H Federal Poverty Line Safe Harbor to determine affordability for this employee for any month(s)
2H	Coverage offered is affordable based on Section 4980H Rate of Pay Safe Harbor	<ul style="list-style-type: none"> • Employer used the section 4980H Rate of Pay Safe Harbor to determine affordability for this employee for any month(s)

Note: An affordability safe harbor code (2F, 2G or 2H) should not be entered on line 16 for any month that the ALE Member did not offer minimum essential coverage, including an individual coverage HRA, to at least 95% of its full-time employees and their dependents

ZIP Code (Form 1095-C Line 17) This line indicates:

- The offer of coverage is an individual coverage HRA
- This line is only completed if Line 14 codes are 1L, 1M, 1N, 1O, 1P, 1Q, 1T or 1U
- The ZIP Code entered should be the ZIP Code used to identify the lowest cost silver plan used to calculate the Employee Required Contribution in Line 15
- The ZIP Code displayed will be either the employee’s residence (codes 1L, 1M, 1N, or 1T) or the ZIP Code of the employee’s primary site of employment if the work location safe harbor was used to determine affordability (codes 1O, 1P, 1Q, or 1U).

If Override Codes are Used:

- Can select a code for “All Months” or by month.

Note: “Affordability” for ACA purposes relates to affordability at the Employee-Only Coverage level, and refers to whether the employee was offered coverage, not if the employee elected coverage for themselves or for their spouse or children. ACA references what the employee would have paid, had they elected coverage to evaluate if it is deemed affordable.



If you have made changes to any of your data, be sure to **Save** the changes.

Part III

Coverage Overrides (Self-Funded Medical Plans only)

- User has the ability to select coverage overrides for an Employee and his dependents for “All Months” or by month.
- System will populate this screen with Employee and dependent names from the Employee’s Contacts.
- The employer should check the coverage box if an individual is covered for at least one day during the month.

120118

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 Go to www.irs.gov/Form1094C for instructions and the latest information. **2024**

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	

For Official Use Only

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
 If "No," do not complete Part IV.

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.

HOW FORM 1094-C IS POPULATED

Part I

(Lines 1-16)

Employer demographic information for 1094-C is taken directly from your Legal Company fields **(Client Management >> Client Maintenance >> Legal Company)**

Additional information is taken from your ACA Report Options fields **(Client Management >> ACA Setup Options >> ACA Report Options)**

Line 18 - isolved will automatically calculate

Line 19 - Identifies authoritative transmittal for ALE member

Part II

Line 20 - isolved will automatically calculate

Line 21 – The appropriate box will be checked based on information entered on the ACA Report Options page

Line 22 – Checkboxes will populate based on selections made for Certifications of Eligibility on the ACA Report Options screen **(Client Management >> ACA Setup Options >> ACA Report Options)**

ACA Certifications of Eligibility

- Indicate any applicable certifications by checking the appropriate box.
- Selecting a certification is not required.
- Allows one or multiple selections.

Note: Questions on how to complete this section should be referred to the Employer’s Benefit Broker/Healthcare Provider.

Part III ALE Member Information – Monthly

(Lines 23-35)

Minimum Essential Coverage Offer Indicator – This indicator is important for determining potential employer penalties. The All 12 Months ‘Yes’ or ‘No’ field or individual month indicator fields will be populated based on information in your Benefit plan(s) set up. If the Indicator is displaying incorrectly on your Preview reports, please contact Ahola to review and adjust your Benefit plan set ups to correct this indicator.

Data for the 1094-C Part III, columns (a) *Minimum Essential Coverage Offer Indicator*, (b) *Full-Time Employee Count for ALE Member*, and (c) *Total Employee Count for ALE Member*, can be entered or changed using the fields on the ACA Employer Overrides tab. Before employing overrides, please contact Ahola to review and adjust your Benefit set ups to correct the information. (See next section for instructions)

120218

Form 1094-C (2024) Page 2

		(a) Minimum Essential Coverage Offer Indicator		(b) Section 4980H Full-Time Employee Count for ALE Member	(c) Total Employee Count for ALE Member	(d) Aggregated Group Indicator	(e) Reserved
		Yes	No				
23	All 12 Months	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
24	Jan	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
25	Feb	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
26	Mar	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
27	Apr	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
28	May	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
29	June	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
30	July	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
31	Aug	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
32	Sept	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
33	Oct	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	

Aggregate Group Indicator (column (d) on 1094-C)

- Populates based on the ACA Reporting Group
 - If a Reporting Group has been set up it will display here.
 - User can select to be a part of the Reporting Group for “All months” or for individual months.

Part IV (Other ALE Members of Aggregated ALE Group)

(Lines 36-65)

Populates based on the Reporting Groups screen (**Client Management >> ACA Setup Options >> ACA Reporting Groups**) Any related entities entered as part of the Aggregated ALE Group or Designated Government Entity (DGE) on the Reporting Groups will be listed in this section of Form 1094 – C. See notation below if the group contains more than 30 members.

120316

Form 1094-C (2024) Page **3**

Part IV Other ALE Members of Aggregated ALE Group

Enter the names and EINs of Other ALE Members of the Aggregated ALE Group (who were members at any time during the calendar year).

Name	EIN	Name	EIN
36		51	
37		52	
38		53	
39		54	
40		55	
41		56	
42		57	
43		58	
44		59	
45		60	
46		61	
47		62	
48		63	
49		64	
50		65	

Form **1094-C** (2024)

Note: Includes only the first 30 ALE members. If there are more than 30 ALE members report only the largest (by employee count) 30 members.

ACA REPORTING OVERRIDES – EMPLOYER OVERRIDES (1094-C PART III)

Forms should populate correctly based on Benefit information contained within isolved. However, in some instances, you may find it necessary to override system-populated Employer information. Should you need to enter overrides on the Employer level, go to **Client Management >> ACA Setup Options >> ACA Report Options** then select the Employer Overrides Tab.

Confirm that the plan year you are working on is highlighted in the ‘Year’ column on the left of your screen.

Select **Edit** to enter information.

The screenshot shows the 'Employer Overrides' tab in the ACA Reporting interface. It contains three main sections for data entry:

- Minimum Essential Coverage Offer Indicator Overrides:** A table with columns for 'ALL MONTHS', January, February, March, April, May, June, July, and August. Each cell contains a dropdown menu.
- Full-time Employee Count for ALE Member Overrides:** A table with columns for 'ALL MONTHS' and the twelve months of the year (January through December). Each cell contains a text input field.
- Total Employee Count for ALE Member Overrides:** A table with columns for 'ALL MONTHS' and the twelve months of the year (January through December). Each cell contains a text input field.

For **Minimum Essential Coverage Offer Indicator** (column (a) on 1094-C), check the applicable months for which MEC was offered.

- **If the employer offered minimum essential coverage** to at least 95% of its full-time employees and their dependents for the entire calendar year, select “Yes” from the dropdown for “All 12 Months” (line 23) or for each of the 12 calendar months.
 - If the employer offered minimum essential coverage to at least 95% of its full-time employees and their dependents only for certain calendar months only, select “Yes” from the dropdown for each applicable month.
 - For the months, if any, for which the employer did not offer minimum essential coverage to at least 95% of its full-time employees and their dependents, select “No” from the dropdown for each month that coverage was not offered.
- **If the employer did not offer minimum essential coverage** to at least 95% of its full-time employees and their dependents for any of the 12 months, select “No” from the dropdown for “All 12 Months” (line 23) or for each of the 12 calendar months.

Note: For the following fields, if the Employment Status is incorrect or missing for any employee the system counts will be incorrect.

For **Full-time Employee Count for ALE Members** (column (b) on 1094-C), the system uses the Employment Status code to count the number of employees that are active each month using the count method designated on the Report Options screen. To override this value, enter the number of employees for each month.

- Enter the number of full-time employees for each month, but do not count any employee in a Limited Non- Assessment Period. If the number of full-time employees (excluding employees in a Limited Non-Assessment Period) for a month is zero, enter “0”.

Note: If the employer certified that it was eligible for the 98% Offer Method by selecting box D on line 22, it is not required to complete column (b).

For **Total Employee Count for ALE Members** (column (c) on 1094-C), the system uses the employees’ Status code to count the number of employees that are active each month using the count method designated on the Report Options screen. To override this value, enter the number of employees for each month that requires an override.

If you have made changes to any of your data, be sure to **Save** the changes.



If your plan is NOT self-funded (self-insured) with fewer than 50 FTEs, skip the next section and move ahead to page **27**.

1094 AND 1095-B FORMS OVERVIEW (SELF-FUNDED EMPLOYERS WITH FEWER THAN 50 FTES)

Form 1094-B is a transmittal “coversheet” submitted to the IRS with the 1095-B forms. Form 1095-B is used to report certain information to the IRS and to taxpayers about individuals who are covered by minimum essential coverage and therefore are not liable for the individual shared responsibility payment. More specifically, it is a statement which indicates the months an individual and any dependents were enrolled in qualified coverage. It is submitted to both the IRS and the covered individual.

110116
OMB No. 1545-2252
2024

Form 1094-B
Department of the Treasury
Internal Revenue Service

Transmittal of Health Coverage Information Returns
Go to www.irs.gov/Form1094B for instructions and the latest information.

1 Filer's name		2 Employer identification number (EIN)	
3 Name of person to contact		4 Contact telephone number	
5 Street address (including room or suite no.)		6 City or town	
7 State or province		8 Country and ZIP or foreign postal code	
9 Total number of Forms 1095-B submitted with this transmittal			

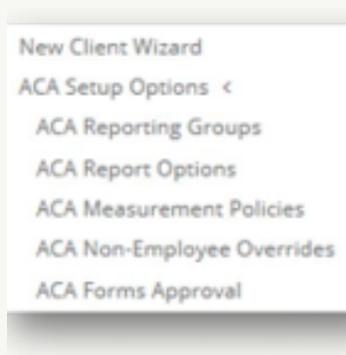
Under penalties of perjury, I declare that I have examined this return and accompanying documents, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature _____ Title _____ Date _____

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 61570P Form **1094-B** (2024)

isolved populates based on Client Master information.

Automatically calculates



POPULATING FORMS 1094-B

Employer demographic information for 1094-B is taken directly from your Legal Company fields (**Client Management >> Client Maintenance >> Legal Company**).

Additional information is taken from your ACA Report Options fields (**Client Management >> ACA Setup Options >> ACA Report Options**).

- ACA Reporting Year - format YYYY
- ACA Company Contact - be sure to designate a contact that will be knowledgeable about the forms and group health plan
- ACA Reporting Form - select the applicable filing forms for the company, i.e. - Forms B or C

560118

Form **1095-B** **Health Coverage** VOID
 Department of the Treasury Do not attach to your tax return. Keep for your records. CORRECTED
 Internal Revenue Service Go to www.irs.gov/Form1095B for instructions and the latest information. OMB No. 1545-2252
2024

Part I Responsible Individual

1 Name of responsible individual—First name, middle name, last name	2 Social security number (SSN) or other TIN	3 Date of birth (if SSN or other TIN is not available)
4 Street address (including apartment no.)	5 City or town	6 State or province
		7 Country and ZIP or foreign postal code
8 Enter letter identifying Origin of the Health Coverage (see instructions for codes): <input type="checkbox"/>		
9 Reserved		

Part II Information About Certain Employer-Sponsored Coverage (see instructions)

10 Employer name	11 Employer identification number (EIN)
12 Street address (including room or suite no.)	13 City or town
14 State or province	15 Country and ZIP or foreign postal code

Part III Issuer or Other Coverage Provider (see instructions)

16 Name	17 Employer identification number (EIN)	18 Contact telephone number
19 Street address (including room or suite no.)	20 City or town	21 State or province
		22 Country and ZIP or foreign postal code

Part IV Covered Individuals (Enter the information for each covered individual.)

(a) Name of covered individual(s) First name, middle initial, last name	(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	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
23			<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"/>	<input type="checkbox"/>
24			<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"/>	<input type="checkbox"/>
25			<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"/>	<input type="checkbox"/>

POPULATING FORMS 1095-B

Part I (Lines 1-7)

Employee demographic information is taken from the Employee General fields (**Employee Management >> Employee Maintenance >> General**). Only full-time employees will receive a 1095-B. This includes those that were terminated in the current year.

(Line 8)

This is the code for the type of coverage in which you or other covered individuals were enrolled. Insured will always populate this with code B (Employer-sponsored coverage).

Part II (Lines 10-15)

Insured will not populate this section based on IRS instructions.

Part III (Lines 16-22)

Employer demographic information for 1095-B is taken directly from your Legal Company fields (**Client Management >> Client Maintenance >> Legal Company**).

Part IV (Lines 23- 28)

Part IV Covered Individuals (Enter the information for each covered individual.)														
(a) Name of covered individual(s) First name, middle initial, last name			(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	Jun	Jul	Aug	Sep
23					<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"/>
24					<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"/>
25					<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"/>
26					<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"/>
27					<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"/>
28					<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. 60704B

Note: Covered individuals (including spouses and dependents) are populated from the employee’s Contacts page (**Employee Management >> Human Resources >> Employee Contacts**).

NON-EMPLOYEE OVERRIDES

Non-Employee Overrides is for employers who have individuals that are not on their payroll but were offered coverage (Examples: Retirees, COBRA, and Board Members). If Non-Employee information needs to be added, navigate to **Client Management >> ACA Setup Options >> ACA Non-Employee Overrides**.

To enter a non-employee, select **Add New**. When finished, **Save** any changes.

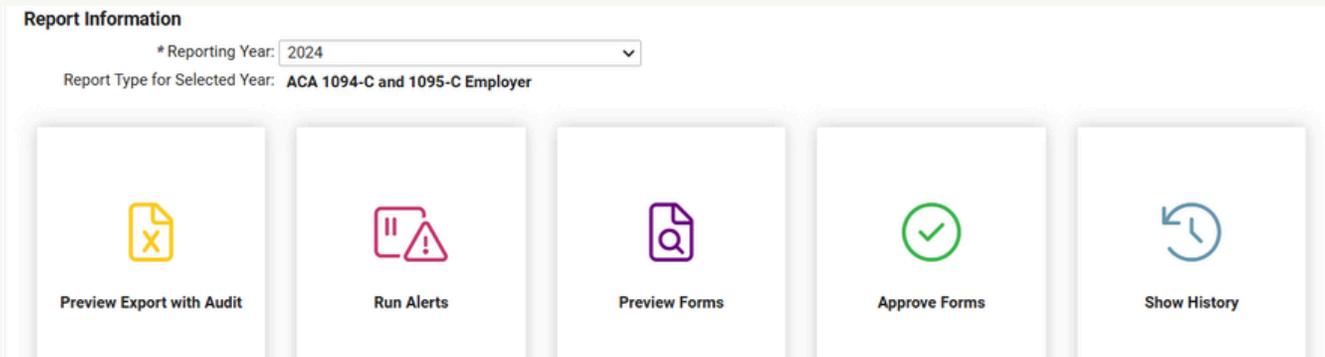
- All fields marked with an asterisk are required fields

PREVIEW FORMS AND FORMS APPROVAL

The ACA year-end functionality gives clients the ability to process and approve their ACA 1094 and 1095 forms.

Before approving 1094 and 1095 forms clients must preview their report and forms for accuracy. The preview and approval steps are done on the ACA Forms Approval screen (**Client Management >> ACA Setup Options >> ACA Forms Approval**).

Confirm that the Reporting Year dropdown is displaying the correct reporting year (this will default to the current year).



The screenshot shows the 'Report Information' section of the ACA Forms Approval screen. At the top, there is a dropdown menu for '* Reporting Year:' set to '2024'. Below it, the text reads 'Report Type for Selected Year: ACA 1094-C and 1095-C Employer'. The main area contains five action tiles, each with an icon and a label: 'Preview Export with Audit' (yellow document icon with an 'X'), 'Run Alerts' (pink icon with a warning sign), 'Preview Forms' (purple document icon with a magnifying glass), 'Approve Forms' (green checkmark icon), and 'Show History' (blue circular arrow icon).

Recently Updated – additional reporting and selection tiles. Choose your preferred format to preview your forms. **We recommend the ‘Preview Export with Audit’ or the ‘Run Alerts’ reports for easiest review.**

Preview Export with Audit – creates the Preview in an Excel format with potential error indicators for certain fields. Displays multiple employees per page, including hire date, rehire and termination date information. Potential errors (e.g., poorly formatted or potentially invalid Social Security numbers) are highlighted in yellow. This format is especially convenient for reviewing forms, as the condensed view allows a more concentrated overview of multiple employees and makes spotting missed or incorrect codes easier. This report contains additional monthly tabs detailing employees included and excluded from the FTE count for each month.

Run Alerts – produces the Preview in PDF format and also includes potential error indicators for certain fields. Displays multiple employees per page, including hire date, rehire and termination date information. Potential errors (e.g., poorly formatted or potentially invalid Social Security numbers) are highlighted in yellow. This report displays a summary error count of potential and critical errors on the last page.

Preview Forms – creates the Preview in the actual forms format and will produce multiple pages per employee. This report reflects the actual look and format of the printed forms.

Notation about Error Indicators - isolved report previews cannot and will not identify potential errors in coding or employee coverage. Any highlighted or marked errors would be format errors only, not informational errors. Summary Error Counts of zero do not necessarily indicate that all report information is correct, so do not approve forms based solely on a zero error count.

Report Type (1095-B or 1095-C) displayed in your preview is based on the reports selected on the ACA Report Options page.

Viewing your Preview Report(s)

To view your preview of 1094 and 1095 forms, click on your preferred report format tile (as mentioned above). A new pop-up window will appear with a link to the My Reports Queue where the reports will process.



The results for the report are generating. [Click here](#) to go to My Reports Queue to view results.

Use the 'Click here' link or use the left navigation menu or 'Search' feature to navigate to My Reports Queue to view or download the report(s).

From the My Reports Queue, click the 'View Report' link to open the report and view, print or download the report(s) as needed.

If you are satisfied that your forms have populated with the correct codes and plan information, and all expected employees have generated accurate forms, you are ready to Approve your forms.

If you are missing codes or informational fields or have other incorrect, incomplete or inaccurate information, please contact Ahola to review your Benefits plan(s) set up. Generally speaking, unexpected or incorrect codes are usually generated because of an issue with plan dates or employee enrollment or non-enrollment in a particular plan.

If you elect to manually override incorrect information, see the instructions beginning on page 10 of this Guide to assist you with entry of manual overrides for either Employee or Employer information.

Once the desired manual overrides have been successfully entered and saved, be sure to Preview your forms again to ensure that the overrides have produced the desired results.

APPROVE FORMS

To approve forms, select the 'Approve Forms' tile. This will produce a Certification Statement pop up.

The image shows a user interface for approving forms. On the left is a white square tile with a green checkmark icon and the text "Approve Forms". To the right is a white pop-up window titled "Certification Statement". Inside the pop-up, there is a blue checkmark icon followed by the text: "I hereby certify I have utilized the audit reports and alert tools to identify and correct potential or critical errors detected. I also certify that to the best of my knowledge, the forms are true and correct." Below this text is a pink button labeled "Approve Forms".

Once you have certified that you have reviewed your forms for accuracy and any potential errors, you will have the option to finalize your approval by clicking the pink 'Approve Forms' box.

The system will take a moment to process the approval. When processing is complete, the 'Approve Forms' tile will change to display 'Approved' with the approver's user name and the date forms were approved.

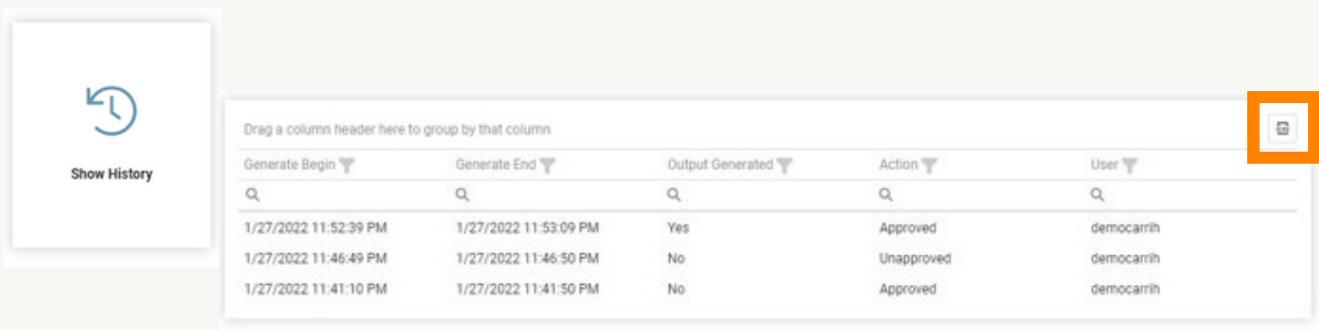
Beginning in early to mid-February, Ahola will begin printing forms for clients that have approved their forms.

Printed forms will be generated only for employees that have not consented to receive their forms electronically. Any employees that have elected electronic delivery will be included in the employer copy file, and their forms will be watermarked with 'ESS Copy Only' but they will not be included in the printed paper forms that are shipped to clients.



If you find that you have approved forms prematurely, or discover changes that need to be made AFTER the forms have been approved, you must contact Ahola to have forms unapproved. Any changes or overrides entered into isolved after forms approval will not be reflected in the printed forms or electronic files that will be transmitted to the IRS if the forms are not unapproved and reapproved after the changes.

The **Show History** tile displays approval information, including the user that approved the forms and the date and time that the form approval began and ended. This tile will also display any history in the event that forms must be unapproved and reapproved. Information on the History tile can also be exported, using the 'export all data' button in the upper right corner of the history display.



Generate Begin	Generate End	Output Generated	Action	User
1/27/2022 11:52:39 PM	1/27/2022 11:53:09 PM	Yes	Approved	democarrilh
1/27/2022 11:46:49 PM	1/27/2022 11:46:50 PM	No	Unapproved	democarrilh
1/27/2022 11:41:10 PM	1/27/2022 11:41:50 PM	No	Approved	democarrilh

If you need assistance with ACA, please direct your email request to our ACA team at ACA@ahola.com

FORM 1095-C CODING EXAMPLES AND DEMONSTRATION SCENARIOS

Example 1 (Part II)

New employee hired Feb 15 with coverage offered May 1st after waiting period of 1st of the month following 60 days. Employee cost for lowest cost MV plan is less than **8.39% of FPL (\$101.94/month in 2024 in the lower 48 states and Washington, DC.; \$127.32 for Alaska and \$117.25 for Hawaii)**
Employee waived coverage.

Employee No: 000053

Hire Date: 02/15/2024

Employee Type: Hourly

Burger, Natalie	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)		1H	1H	1H	1H	1A	1A	1A	1A	1A	1A	1A	1A
15 Employee Required Contribution (see instructions)													
16 Section 4980H Safe Harbor and other relief (enter Code, if Applicable)		2A	2D	2D	2D								

Line 14

1H = No offer of coverage January – April because she was not employed, and was then in a waiting period.

1A = May begins offered coverage at an employee required contribution share of less than **8.39% of FPL** for a month (for the lowest-cost, self-only plan.)

Line 15

No entry is required in line 15 because the offer of coverage is less than 8.39% of FPL and generated Code 1A in Line 14, which indicates that the plan is deemed affordable based on cost.

Line 16

2A = Not employed in January.

2D = Employee in non-assessment period (i.e., waiting period.) in February, March and April.
No entry is necessary for May - December because the employee waived coverage.

If the employee had elected coverage, Code 2C would populate for May - December.

Example 2 (Part II)

Employee has waived coverage.

Employee was terminated August 15th and the plan offers coverage only until the date of termination.

Even though employee waived coverage, the plan cannot claim an offer of coverage for the entire month of August since coverage would have terminated on the date of termination.

Employee cost for lowest cost MV plan = \$110 per month.

Employer has set contributions for this class of employee based on the W-2 employer safe harbor.

Employee No: 000053

Hire Date: 02/15/2024

Term Date: 08/15/2024

Employee Type: Hourly

Rosen, Harold	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)		1E	1H	1H	1H	1H	1H						
15 Employee Required Contribution (see instructions)		110.00	110.00	110.00	110.00	110.00	110.00	110.00					
16 Section 4980H Safe Harbor and other relief (enter Code, if Applicable)		2F	2B	2A	2A	2A	2A						

Line 14

1E = Offer of MV coverage Jan – July.

1H = No Offer of coverage August - December.

Line 15

Lowest employee cost for MV plan offered January - July = \$110.00.

Line 16

2F (January - July) = Employer is using the W-2 Affordability Safe Harbor.

2B (August) = Special code for part-time employees or an employee in their termination month when there is not a full month of coverage offered.

2A = Employee was not employed September – December.

Example 3 (Part III)

Employee is covered by self-funded plan all 12 months.

Employee marries and adds new spouse to plan effective in March.

Employee has a baby on Dec. 1 and adds child to the plan (Employee has not yet obtained an SSN for the new baby).

Part III Covered Individuals															
If Employer provided self-insured coverage, check the box and enter the information for each covered individual <input checked="" type="checkbox"/>															
(a) Name of covered Individual	(b) SSN	(c) DOB (if SSN is not available)	Covered All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Employee Name	123-45-6789		X												
Spouse Name	234-56-7891					X	X	X	X	X	X	X	X	X	X
Child Name		12/1/2015													X

FORM 1095-C CODING EXAMPLES AND DEMONSTRATION SCENARIOS

Reports

ACA Large Employer Compliance Test

The first step in determining what, if any, requirements an employer is responsible for under the ACA is whether the employer is considered to be an Applicable Large Employer (ALE).

Whether an employer is an ALE in a particular calendar year generally depends on the size of the employer's workforce in the preceding calendar year. For example, an employer will use information about the size of its workforce during 2023 to determine if it is an ALE for 2024.

To be an ALE for a calendar year, an employer must have employed an average of at least 50 full-time employees (including full-time equivalent employees) during the preceding calendar year.

isolved provides a standard report to count the number of full-time employees (including full-time equivalents) per month, in a given date range, to assist the employer in determining their status as an ALE.

In order to properly populate the report, the system requires tracking of employees based on ACA Status using the Employment Category field. (**Client Management >> Tables >> Employment Categories**).

In addition to assigning ACA Employment Status, employers will also need to determine what hours to use for the calculation to determine large employer status based on the IRS definition of "hours of service."

The following guidelines are used by the isolved system to determine the Total Hours included in the ACA evaluation:

- Total hours
 - Total hours include all paid hours. This is all paid earnings that are not 1099.

The screenshot shows a web interface for configuring an ACA Large Employer Compliance Test report. The title is "ACA Large Employer Compliance Test" with a subtitle: "Enables employer to determine if it is an Applicable Large Employer under the ACA for purposes of whether the Employer Shared Responsibility rules (e.g., Play or Pay) apply." The interface is divided into three sections: "Filtering", "Grouping", and "Options".

- Filtering:** Includes "From Date" (1/1/2023) and "To Date" (12/31/2023) fields, each with a calendar icon. Below is a "PayGroups" list with two items: "Carri's Wine Company Inc." and "Olivia's Exclusive Wine Club", both with checked checkboxes.
- Grouping:** A "Grouping Option:" dropdown menu.
- Options:** Includes "Include Hours Detail Page:" (unchecked checkbox), "Exclude ACA Full Time:" (unchecked checkbox), and a "Format:" dropdown menu set to "PDF".

Filtering

From Date - Begin Date for the evaluation period.

To Date - End Date for the evaluation period.

(A report warning will generate if an invalid evaluation period is selected.)

Pay Groups - Defaults to include all legal companies. You can deselect any to exclude them.

Grouping

Grouping Option

- Option to group and subtotal the report by organizational levels.
- A company total of FTEs will generate at the end of the organization totals.

Options

Include Hours Detail Page - Provides hour totals by month for each employee.

Exclude ACA Full Time - Excludes any employee with an ACA status of 'ACA Full Time' from being shown on the hours detail page. Full-time employees are still counted in FTE counts, even if the 'Exclude' box is marked.

Format - PDF

ACA LARGE EMPLOYER COMPLIANCE TEST

IMPORTANT NOTE: In determining whether an employer is an applicable large employer, you must include all entities as a single employer under §§414(b), (c), (m), and (o) of the Internal Revenue Code. Thus, all employees of a controlled group of entities under §§414(b) or (c), an affiliated service group under §414(m), or under §414(o) are taken into account in determining applicable large employer status. Also, you must include any predecessor employer and successor employer.

Report Total	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023
Full Time Employee Count	92	91	95	94	94	91	86	90	93	94	96	92
Total Hours for FTE Calculation	3,440.25	4,015.25	4,593.00	5,285.00	6,222.50	5,493.25	4,595.25	2,231.50	3,508.50	4,682.25	4,544.00	4,074.50
FTE Count	28.67	33.46	38.28	44.04	51.85	45.78	38.29	18.6	29.24	39.02	37.87	33.95
Total FTE Count	129.67	124.46	133.28	138.04	145.85	136.78	124.29	108.6	122.24	133.02	133.87	125.95

For Applicable Large Employer determination your FTE employee count is: **128**

Based on your average Total FTE Count, you ARE an Applicable Large Employer

Special Notes on Applicable Large Employer Compliance Results:

1. IRS safe harbor allows for a 6-month consecutive look back calculation in determining ALE status for Reporting year 2015.
2. For Reporting year 2015, Applicable Large Employers of 50-99 FTEs are not subject to the Employer Shared Responsibility Penalties but are still subject to the reporting requirements.
3. This report does not take into account that, solely for purposes of determining whether an employer is an applicable large employer for any month, an individual shall not count as an employee for such month if such individual has medical coverage for the month under (1) chapter 55 of title 10, United States Code, including coverage under the TRICARE program or (2) under a health care program under chapter 17 or 18 of title 38, United State Code, as determined by the Secretary of Veterans Affairs, in coordination with the Secretary of Health and Human Services and the Secretary.

The following data is included in this report:

- **Full Time Employee Count**
 - Monthly count of all active employees with ACA Employment Status = ACA Full Time.
- **Total Hours for FTE (Full-Time Equivalent) Calculation (all NON-ACA Full Time employees)**
 - All Employees with ACA Employment Status not equal to ACA Full Time or ACA Exempt.
 - Total Hours Paid per employee up to 120 hours.
- **FTE (Full-Time Equivalent) Count**
 - The total hours for any NON-Full-Time employees are divided by 120 to arrive at the number of FTEs for each month.
 - Total Hours FTE Calculation/120 hours (30 hours * 4 weeks a month).
- **Total FTE Count**
 - The count of Full-Time employees is added to the count of FTE employees for the Total FTE Count per month.
- **Applicable Large Employer Determination**
 - The total FTEs for 12 months are then divided by 12 to get the average number of FTEs which is used to determine whether a company is considered a Large Employer.
 - Rounding is not used per the IRS.
 - If the count for a given month is 12.89, it is counted as 12. This is also true for the final calculation of average FTE used in determining if an employer has 50 employees; that is, 49.9 would be considered 49.
- **Employee Hours by Month**
 - When the **Include Hours Detail** option is selected, the report displays employee name and hours worked for each month for the date range selected.
 - Actual hours worked will be displayed; however, for FTE calculation purposes the hours are capped at 120/month per employee.

Additional ACA Reports are available under Reporting >> Client Reports

{From the Report Category drop-down box, select “Affordable Care Act” then click “Filter”}.

ACA TASK CHECKLIST

- Review ACA Reporting Groups p. 4
- Review Report Options Screen Selections p. 6
- **Self-Insured Plans Only – Review Employee Contacts p. 8
- Preview ACA Forms p. 28
- Review Company Information Populated on Forms p. 10
- Review Informational Coding for All Employees (refer to code Cheat Sheets) p. 14-18
- Consult with Benefits Broker to Confirm Coverage Questions p. 7
- Enter Any Necessary Employee Information Overrides p. 11
- Enter Any Necessary Employer Information Overrides p. 23
- Re-Preview Forms to Review Updates/Changes p. 28
- Approve Correct and Complete Forms p. 30

Questions, concerns or requests for assistance can be directed to the Ahola ACA Team by emailing ACA@ahola.com.