würk

ACA Manager 2022 Year End Guide & Pre-Processing Checklist
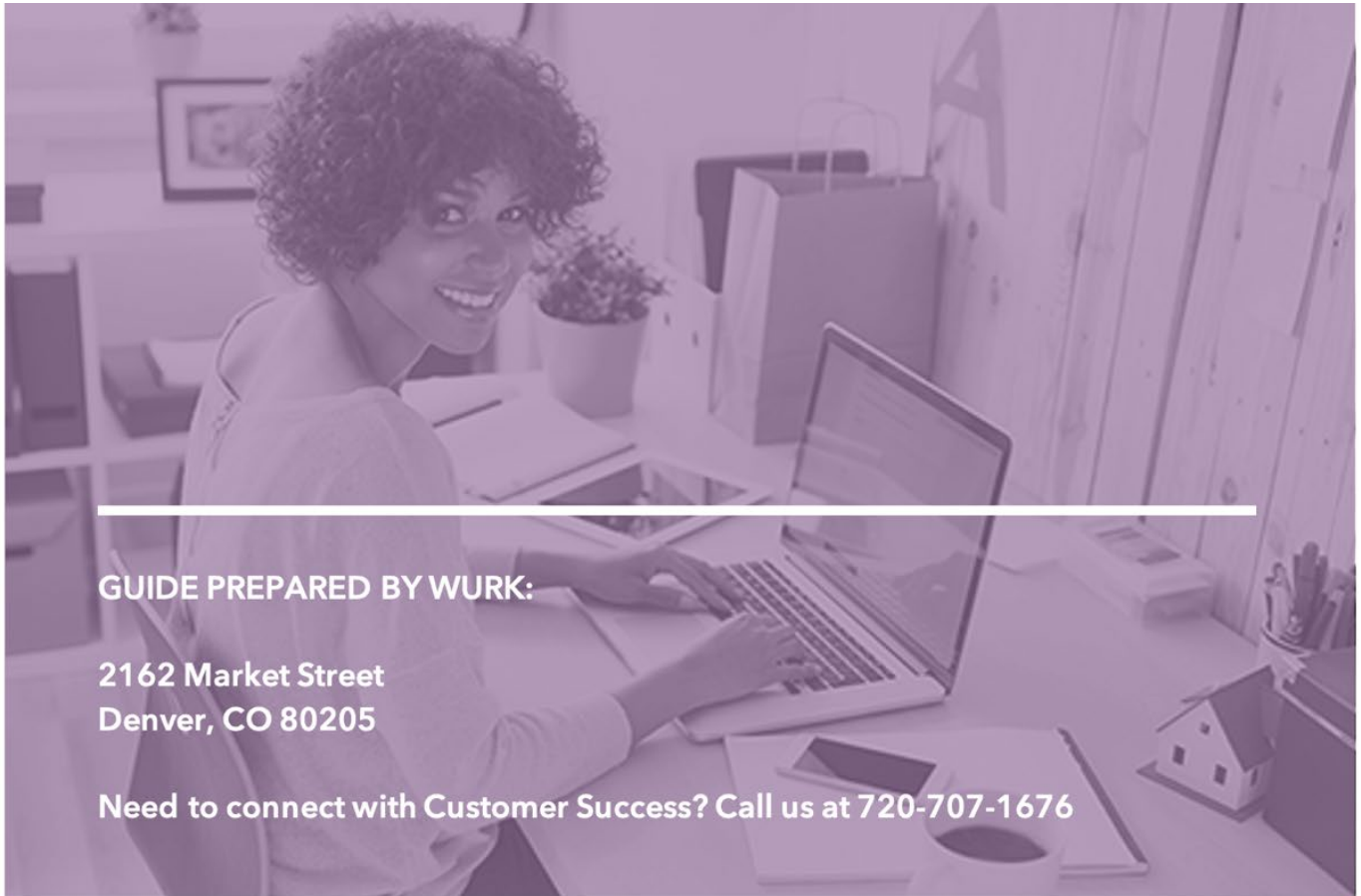
2022 OVERVIEW

Dear Valued Client,

Thank you for your partnership with Würk in 2022. We appreciate the partnership we share and understand the adjustments we have had to make as our industry continues to grow and evolve. As we approach the end of the year, we would like to ensure that your organization is optimally equipped with the information you need to close out the year on a high note. In this packet, we've included:

- Key Dates for ACA Year-End Processing
- ACA Year-End Resources
- ACA Pre-Processing Checklist

Enclosed is our 2022 ACA Year-End Guide. & Pre-Processing Checklist Please take the necessary time to review the details in the guide for important information and reminders regarding year-end processing.

In our effort to make your year-end process more efficient by getting your employees' 1095-Cs in their hands faster, we will be mailing the documents to your employees' homes via US Mail. We will not be assessing a $5/item fee for printing and delivery for 2022 due to functionality limitations with 1095 electronic consent. Active employees will also be able to view their 1095-C via Würk once they are released during ACA Year-End Processing.

Sincerely,
The Würk Team

Table of Contents

KEY DATES FOR ACA YEAR-END PROCESSING

Item	Date(s)	Description
ACA Support Ticket Opened	12/9/22	An "ACA Year End" Support Ticket will be opened on your behalf and assigned to our ACA Task Force. All ACA related questions are to be asked/replied to via this support ticket to keep communication centralized. We'll also be pushing out communications on error resolution through these tickets.
Client Completes **Year-End Pre-Processing Checklist**	12/14/22-12/31/22	This will be provided via the ACA Support ticket and discussed on the ACA Year-End Webinar. As the client, you will review the ACA settings and Employee details to ensure Year End Processing is completed in an accurate and timely manner. This checklist will also be available through WürkConnect.
ACA Year-End Webinar	12/15/22	Our ACA Task Force will be reviewing the steps that will need to be taken in Würk by the deadline to ensure that timely filing and mailing of 1094-Cs & 1095-Cs. We will be able to walk through any questions you have on the Processing Checklist.
ACA Office Hours	1/4/23, 1/11/23, 1/18/23	There will be three Office Hours sessions in January for you to join and ask questions to our ACA Task Force team. If there are sensitive questions, these should be communicated via the Support Ticket.
Client Completes **Year-End Processing in Würk**	1/1/23 – 1/19/23*	ACA processing completed for each EIN by Client.
ACA Files Pulled for Filing 1094-C & Mailing 1095-C	1/20/23 - 1/31/23	Würk team will pull all ACA files and reach out to clients if any errors are received.
IRS Errors Returned from Filing	2/1/23-2/28/23	Würk team to provide client with any errors resulting for IRS filing submission for them to review and correct.

*Note: Würk guarantees ACA filings to be compliant with filing deadlines if this date is met, after this date, Würk cannot provide a guarantee. If you are unable to meet these deadlines you will be subject to all associated IRS or State late filing/mailing fees.

*Note: Highlighted fields are expected to be completed by the client in the designated time.

FILING & MAILING DEADLINES

Federal 1095-Cs Mailed to Employees	1/31/2023** Deadline
Rhode Island State Filing	3/02/2023 Forms Mailed 3/31/2023 Filing Deadline
California State Filing	1/31/2023 Forms Mailed 3/31/2023 Filing Deadline
Washington DC State Filing	3/02/2023 Forms Mailed 4/30/2022 Filing Deadline
New Jersey State Filing	3/02/2023 Forms Mailed 3/31/2023 Filing Deadline
Massachusetts State Filing	1/31/2023 Forms Mailed 3/31/2023 Filing Deadline
Federal 1094-C Filing for all EINs	2/28/2023 Deadline

***IRS proposed extension to 3/2/2023 but Würk will be managing to 1/31/2023 deadline*

ACA Year-End Resources:

To assist you with this part of the process, we have the following resources for you:

Resource	When to Use
ACA Pre-Processing Checklist	Prior to Year-End Processing (this can be completed
ACA Reports Guide	Prior to as an audit tool and during Year-End Processing
ACA 1095-C Codes Guide	Prior to as an audit tool and during Year-End Processing, while you are reviewing 1095-Cs.
ACA Year-End Processing Steps	During Year-End Processing
ACA Processing FAQs & Troubleshooting Guide	During Year-End Processing

ACA YEAR-END PRE-PROCESSING CHECKLIST

There have been numerous changes to the required filings of the Affordable Care Act (ACA) forms, our product, and IRS policy. We have created this document to guide you through the process and everything is up to date **prior to** starting the ACA Year-End process is critical to ensure accurate reporting and to avoid any IRS late filing or correction fees. Throughout this process, you will use your **Support ticket** for any questions or setup adjustments, as well as attending any of the events you are able to.

EMPLOYEE INFORMATION

My Team > Employee Information

ACA Manager will look to certain information in the employee's record.

Profiles	Completed?
Benefit Profile The first step you will want to complete is to verify that each employee has the correct Benefit Profile. The Benefit Profile assigned to the employee will direct ACA Manager to the appropriate plan when determining which plan should be used for ACA reporting, so it is important that it contains the appropriate plan options. Some companies offer three medical plans, but a certain Benefit Profile assigned to the employee may only include two, so the ACA Manager will consider the plan not included in the Benefit Profile when evaluating the employee. **During this step, you will also want to ensure every employee who is eligible for benefits has a "Benefit Eligible" Profile attached.** **Note**: Clients with Union employees will have a specific "Union" Benefit Profile for this population with a place holder medical plan to populate the correct codes for the 1095-C timeline. **If you need this added to your setup, please reach out to Support via your ACA ticket.** **Benefit Profile Effective Date** The Effective Date of the "Benefit Eligible" Benefit Profile (or equivalent profile containing medical benefit plans) determines the month the employee is eligible to begin medical coverage, which will be reflected on the employee's ACA Timeline, including populating the associated code on their 1095-C. This tells the system when the Benefit Profile should be applied to the employee. **Important:** If a new hire/re-hire's Benefit Profile Effective Date is <u>prior to</u> the actual date the employee is first eligible to begin medical coverage (i.e. 12/31/1900 for current year new & re-hires/benefit eligible employees, or a date within their Waiting Period), **this will negatively impact ACA calculations.** **Ensure every employee who is eligible for medical benefits has a "Benefit Eligible" (or equivalent) Profile reflecting the correct Effective Date.** **How to Verify:** Starting from the *Employee Information* report, add the "Benefit Profile (Effective Date From)" and "Current Benefit Profile (Effective)" columns. **Note**: This column will *only* display the current Benefit Profile assigned, *not* future dated Benefit Profile assignments. **What to Look For**: Find out if someone has a Benefit Profile assigned prior to their hire date (ex. 12/31/1900); or check to see if Benefit Profile aligned with the hire date when there should be a 30-day waiting period **Example:** An employee with a Hire Date of 10/21/2020 will be eligible to begin their medical benefits on 12/1/2020 (the 1st of the month following 30 days from hire). Below is how the "Benefit Eligible" Benefit Profile must be dated for the ACA Manager to reflect the correct codes on the 1095-C.	☐

Hired *

| 10/21/2020 | 🗓 |

Benefit

Benefit

| Choose... | 🔍 |

Effective Date *

| 12/31/1900 | 🗓 |

🗑

Benefit *

| Benefit Eligible | 🔍 |

Effective Date *

| 12/01/2020 | 🗓 |

As previously mentioned, the "Current Benefit Profile (Effective)" column will **only** display the current Benefit Profile assigned, **not** future dated Benefit Profile assignments.

▼ First Name ▼	Last Name ▼	Current Benefit Profile (Effective) ▼	Benefit Profile (Effective Date From
▼			
Test Benefits	Employee		12/31/1900

Benefit Profile Enrollment Override

Completing the Benefit Profile Enrollment Override widget on the employee's profile allows the employee to access the "Enrollment" link in their hamburger menu under My Info (single person icon) > My Benefits prior to the date they are eligible to begin medical coverage, without negatively impacting ACA calculations.

Example: Continuing the example from above, the "Benefit Eligible" (or equivalent) Benefit Profile selected in the *Override* widget should match the employee's Benefit Profile assignment, the *Start Date* is to match the employee's Hire Date (10/21/2020), and the End Date is to match the Benefit Profile Effective Date (12/1/2020).

Effective dating the Override widget for the span of time they are in their Waiting Period allows them to access the benefit "Enrollment" link from 10/21/2020 – 12/1/2020, not negatively impacting ACA reporting and calculations.

Benefit Profile Enrollment Override

Profile

| Benefit Eligible | 🔍 |

Start Date

| 10/21/2020 | 🗓 |

End Date

| 12/01/2020 | 🗓 |

Note: If additional settings are configured within the Benefit Profiles to limit the number of days a New Hire has to enroll in benefits (i.e. 45 days from Hire Date), their access to the benefit "Enrollment" link would **only** be available up until this timeframe.

```
┌─ LAST DAY NEW EMPLOYEE CAN ENROLL ──────
│  [  45  ]  [ Day(s) ⌄ ]  From  [ Date Re-Hired ⌄ ]
│
│  Use  [ Date Hired ⌄ ]   If Employee Missing Above Date
│
│  Adjusted To  [ Immediately After ⌄ ]
└──────────────────────────────────
```

💡 **Important**: If an employee has a future dated "Benefit Eligible" (or equivalent) Benefit Profile, and the *Benefit Enrollment Override* widget is <u>not</u> filled in/not completed properly, they will **not** be able to enroll in benefit plans until the effective date of their Benefit Profile.

ACA Profile

The ACA Profiles are assigned on a per-employee basis and tell the system everything it needs to know about measuring and reporting for each employee – whether hours need to be measured or not, where to look for the hours, what qualifies as ACA Full Time, what qualifies as affordable for that year, etc. The ACA Profile includes rules that control how the ACA Manager calculates the employee's ACA Timeline and 1095-C.

Ensure that every employee has the correct ACA Profile assigned.

Tip: Starting from the *Employee Information* report, add the "Current ACA Profile (Effective)" column.

💡 **Important**: If an employee changed from/to Hourly, Salary, or Non-Employee (**i.e. Test Employees, Contractors, Benefit Brokers, Not in Payroll, etc. that should not be reflected on the Form 1094-C**), the correct ACA Profile must be assigned and properly effective dated to reflect the change(s). There is no need to effective date the ACA profile for new hires, the profile assignment will auto populate a date. The only time you need to effective date the ACA profile is if an employee is moving from one ACA profile to another, in which case you would effectively date that status change.

Active & Terminated Employee COBRA Enrollments

Only complete if medical plans are Self-Insured

If an employee is enrolled in a self-insured COBRA medical plan as an Active or Terminated Employee, even if they did not work in the filing year, you'll add a corresponding "COBRA" ACA profile to their record. This should be assigned and effective dated the first of the month they were eligible to receive COBRA for that year.

ACA Profile

ACA Profile | Effective Date *
Full-Time/Non-Variable | 01/01/2012

ACA Profile | Effective Date *
COBRA | 03/01/2021

+ Add

Employee Status Change History Widget

This widget stores all of the employee's action dates (hired, terminated, and re-hired), and the system looks to this when determining which codes to use on Form 1095-C.

∨ Employees Status Change History

◁ Page [1] of 1 ▷ 1 - 3 of 3 Rows

Status	Date
Rehired	07/26/2021
Terminated	06/21/2021
Hired	05/19/2020

If there are any questions regarding break in service calculations, please refer to this widget first. If the employee has any of the following, manual corrections will be needed:

- Two consecutive re-hire dates without a termination date between the two
- Two consecutive termination dates without a re-hire date between the two
- A re-hire date without any corresponding termination date prior

∨ Employees Status Change History

◁ Page [1] of 1 ▷ 1 - 5 of 5 Rows

Status	Date
Rehired	11/08/2021
Terminated	05/02/2021
Other	12/28/2020
Hired	01/15/2020
Rehired	

Benefits	**Completed?**

Employee Benefit Plans

The ACA Manager references the **medical benefit plans** to determine if the employee is enrolled, and if the plan provides minimum essential coverage and minimum value.

Ensure all employees who had an Active status in the current year and elected medical coverage are enrolled in a medical benefit plan, and their "Coverage Effective From"/"Coverage Effective To" dates are accurate.

Tip: Starting from My Employees > Employee HR Maintenance > Benefits > *Benefit Plans*, add the "Coverage Effective From" and "Coverage Effective To" columns.

> **Important**: The ACA Manager **will not read standalone medical deductions** as enrollment to a medical benefit plan. Employees **must** be enrolled in a medical benefit plan for ACA reporting and 1095-C coding to be accurate.

Dependent Enrollments
Only complete if medical plans are Self-Insured

If an employee is enrolled in a self-insured medical plan, Part III of Form 1095-C must be populated to identify who was enrolled and for which months. This identification includes the employee and anyone else covered under their plan.

If you have self-insured medical plans, ensure that the "Coverage Effective From" and "Coverage Effective To" dates are reflecting accurately for all enrolled in the employees plan for the current year.

Tip: Review the *Dependents* report found under My Employees > Employee HR Maintenance > *Benefits*.

Dependent Demographics

Only complete if medical plans are Self-Insured

Part III of Form 1095-C requires a name as well as either a Social Security number (preferred) or date of birth (only to be populated if the SSN is not available) for every individual enrolled in the employee's plan.

If you have self-insured medical plans, ensure that Social Security numbers and birthdates are reflecting accurately for all enrolled in the employee's plan for the current year.

Tip: Starting from My Team > Benefits > *Dependents* and add the "Dependent Birthday" and "Dependent SS#" columns.

ACA MANAGER CALCULATIONS

ACA Hours Worked	Completed?
ACA Earning Codes vs. Timesheet Hours The ACA Manager uses the hours associated with pre-selected earning codes or timesheet hours to calculate the hours worked by employees each month, which are populated into their ACA Timeline. **If you are utilizing Earning Codes, verify and update (if needed) the ACA Earnings list, ensuring it includes all earning codes that should be associated with "hours worked".** **Note**: Earnings Codes used within the reporting year should remain on the ACA Earnings list even if they are no longer be utilized moving forward (ex. COVID). Information regarding what qualifies as an *Hour of Service* under the Affordable Care Act can be found on the [IRS Website](#). **Instructions:** Follow the steps below to access, view, and edit (if applicable) the *ACA Earnings* list. If any other changes are needed outside of this *ACA Earnings* list, reply to the *ACA Processing 2022* Support ticket that was created on your behalf with details of the changes. 1. Navigate to the Admin link (gear) > Company Settings > Profiles/Policies > ACA (Affordable Care Act). 2. Click the pencil next to the applicable ACA Profiles (ex. *Full-time (Non-Variable) or Part-Time (Variable)* ACA Profile).	☐

← ACA Profiles

			Name
			= ⌄
✎	X	⧉	COBRA
✎	X	⧉	Full-Time/Non-Variable
✎	X	⧉	Non-Employee
✎	X	⧉	Part-Time/Variable
✎	X	⧉	Union Full-Time/Non-Variable
✎	X	⧉	Union Part-Time/Variable

Rows On Page **20 ⌄** **6** Rows ↻ Refresh

3. Click the pencil next to the *Calculate Monthly Hours from Payroll* rule.

✎ **Calculate Monthly Hours From Payroll**
PST Type List: ?
PST Earning List: ACA Earnings List
Hours Calculated From: September 2021

4. Click the link to the right of the PST Earning List field

Calculate Monthly Hours From Payroll

Effective From			To		
Full Time Minimum Hours		130.00			
Recalculate Last	2 ⌄	Months			
PST Type List					
PST Earning List	ACA Earnings List				×

5. Click the pencil next to the ACA Earnings list.

Earnings Lists

Rows On Page	200 ⌄	
		Name
		=
⊡	✎	ACA Earnings

6. All Earning Codes included are listed on the left; those not part of the list are on the right. Delate any codes off the list by clicking the "x" and add any codes by clicking the "+". When finished, click "Done", and the list will be updated. You may "X" out of the pop-up boxes since the list has already been updated and there are not any configuration changes being made to the actual ACA Profile.

Edit List: ACA Earnings   ✕

List Items		Items Not In A List	
Rows On Page 10 ⌄ 11 Rows		Rows On Page 10 ⌄ 22 Rows	
☐	**Name**	☐	**Name**
	= ⌄		= ⌄
☐ ×	Bereavement	☐ ⊕	1099
☐ ×	Double Time	☐ ⊕	Bonus
	Remove		Add

Change Name   Done

The ACA Timeline tracks employee ACA information per month to show where employees stand in their current measurement period, active compliance alerts, and 1095-C codes for lines 14-16.

Ensure hours are populating into the ACA Timeline.

Tip: Review the *ACA Data Detailed* report under My Team > Benefits > ACA. This report will default to show data for last month; update the dates by clicking the "Dates" pillbox at the top right.

Note: Employee hours are automatically recalculated on a frequency pre-configured in their ACA Profile (generally the 7th or 14th of each month). If hours have not updated for the prior month, manual recalculation can be executed.

Important: If updates were made to the ACA Earnings list, recalculate employees *prior to* verifying hours are populating into the ACA Timeline so that ACA calculations are up to date.

Instructions: Follow the steps below to manually recalculate employees' ACA Timeline.

Recalculating employees may take up to 45 minutes depending on the number of employees being calculated. Filter down the number of employees to recalculate by EIN, Pay Type, or Account Status to recalculate smaller groups of, lessening the recalculation time.
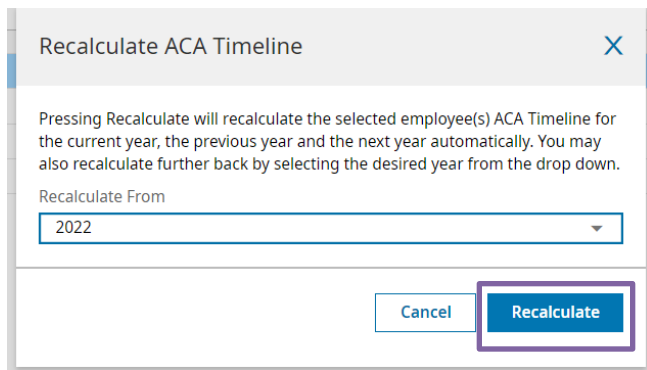
1. Navigate to My Team > Benefits > ACA > Employee ACA Actions

2. Filter as needed, but do not exclude employees who were terminated in the current year.

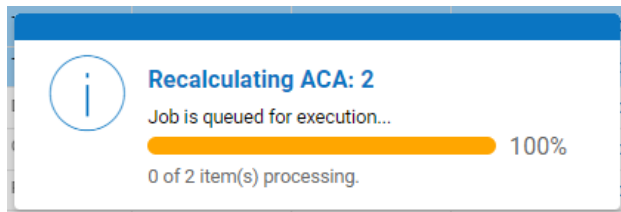3. Select the checkboxes of the employees to recalculate, then click "Recalculate".

When prompted to make a selection, select the current year, then click "Recalculate"

Recalculate ACA Timeline

Pressing Recalculate will recalculate the selected employee(s) ACA Timeline for the current year, the previous year and the next year automatically. You may also recalculate further back by selecting the desired year from the drop down.

Recalculate From

2022

Cancel   **Recalculate**

A pop-up progress bar and percentage completed will display to until all have been recalculated.

Recalculating ACA: 2
Job is queued for execution...
100%
0 of 2 item(s) processing.

ACA SETTINGS

Settings	Completed?
ACA Form Contact Name & Phone The name & phone number entered here will be used on Form 1094-C for the selected Employee Identification Number (EIN) and will appear on all Forms 1095-C for the selected EIN as well. In order to review your company's ACA Settings, navigate to Admin > Company Settings > Global Setup > Company Setup > HR or ACA tab**.** Ensure the Contact Name and Phone Number fields are up to date for **each** EIN and **does not** include dashes.	☐

Applicable Large Employer List

Applicable Large Employer list or ALE list apply to multi-EIN organizations and allow an EIN to be linked to the other EINs within that multi-EIN organization that are part of the Aggregated ALE Group for the purposes of filing the Form 1094-C and ensuring Forms 1095-C are completed accurately. This also impacts which EINs will populate on Part III of the 1094-C. In order to review your company's ALE list, navigate to Admin > Company Settings > Global Setup > Company Setup > HR or ACA tab.

You'll click on the ALE list link and make any appropriate adjustments. Or add a "New List" by clicking on the "New List" button.

COBRA Reporting for Self-Insured

Only complete if medical plans are Self-Insured

If you have a self-insured healthcare plan and have employees or former dependents enrolled in their own COBRA policy, check this box to enable the Form 1095-C Dependent functionality. In order to review your company's ACA Settings, navigate to Admin > Company Settings > Global Setup > Company Setup > HR or ACA tab**.**

ACA Settings

Default ACA Profile	[dropdown] 01/01/2012 [+]
Company Qualifies for Qualifying Offer Transition Relief for 2015	No
ACA Form Contact Name	
ACA Form Contact Phone	
Enable COBRA reporting for self-insured health plan	☑

BENEFIT (MEDICAL) PLANS

Company Settings > Profiles/Policies > Benefits > Plans

It is important to ensure that all your medical plans are properly set up in Würk because the ACA Manager product module must reference the correct plans when evaluating each employee.

Coverage Provided Through End of Term Month	Completed?
Checking this box indicates that if an employee should term prior to the end of the month, the offer of coverage and enrollment (if the employee is enrolled in the plan) will extend to the end of the termination month.*	☐

ACA (Affordable Care Act)   Access   Access (Hardware)   **Benefits**   Competency   Dashboard L

Types   Plans   Profiles   Life Change Event Types   Benefit Waived Reason

← Edit Plan

Benefit Plan

Benefit Type	Medical
Name*	Simple EE
Description	
Active	☑
Certificate #	
Policy #	
Effective From*	01/01/2016 To 12/31/9999
Eligibility Filter	All Accounts
ACA Eligibility Filter	All Accounts
COBRA Eligible	☐
Coverage Provided through End of Term Month	☑

If you need to have this setting changed, please reach out to Support via your ACA ticket at your earliest convenience, as this may affect ACA and Payroll.

Plan is Self-Insured	Completed?
Only complete if medical plans are Self-Insured If a particular healthcare plan is self-insured, Part III of Form 1095-C will need to be populated for each employee, identifying who was enrolled and when they were enrolled. Checking this box is necessary if the plan selected is self-insured (this can be confirmed with your benefit carrier/provider) and ensure that the effective dates on the plan are correct.* If none of your plans are self-insured, no action is required with this step.	☐

If you need to have this setting changed, please reach out to Support via your ACA ticket at your earliest convenience, as this may affect ACA.

BENEFIT PROFILES

Company Settings > Profiles/Policies > Benefits > Profiles

Ensure that each Benefit Profile lists the appropriate healthcare plans.

ACA Manager will only look at the healthcare plans attached to a particular Benefit Profile assigned to the employee.

Benefit Profiles	Completed?
Medical Brief Explanation [View/Edit Brief Explanation] Auto Add ☐ Use Waived Reason ☐ Employee Can Select Up To 1 ⌄ Plan(s), At Least 0 ⌄ Plan(s) Should Be Selected Show On Life Change Event ☑ New Employee ☑ 	☐

			PLAN NAME	EFFECTIVE FROM	EFFECTIVE TO	EARNING/DEDUCTION
↕	×	🔍	Age Banded	01/01/2015	12/31/9999	HS Medical
↕	×	🔍	MVP Plan	01/01/2015	12/31/9999	HS Medical
↕	×	🔍	PPO	01/01/2015	12/31/9999	HS Medical

If you need to have this setting changed, please reach out to Support via your ACA ticket at your earliest convenience, as this may affect ACA.

REPORTING THAT CAN ASSIST IN THE AUDIT PROCESS

Team > Benefits > ACA

Each of these system reports can be accessed depending on the security profile assigned to the user. If you cannot see one of these reports, please reach out to Support via the ACA ticket.

Note: All Employees, regardless of ACA Profile assignment, will show on reports unless filtered out.

Employee ACA Actions	Completed?
This report gives you the opportunity to mass recalculate, clear an ACA Timeline if needed, and import historic data. **Navigate here to become familiar with the Recalculate function (steps listed above on pages 12-13)** ![Employee ACA Actions screenshot]	☐

ACA Data Detailed	
This report will give you a month-by-month report of data from the ACA timeline. You can review timeline details and codes ahead of Year End Processing to ensure 1095-Cs populate as intended. **Tip:** This report will default to show data for last month; update the dates by clicking the "Dates" pillbox at the top right. **To review some coding combinations that you are not expecting, adjust the report so that you are only left with the columns for Lines 14, 15, 16:** - Line 14 = 1H and Line 16 is Null - Line 14 = 1H and Line 16 = 2C - Line 14 != 1H and Line 16 = 2A - Line 14 != 1H and Line 16 = 2D Review additional information on code definitions on our ACA 1095-C Codes Guide. ![ACA Data Detailed screenshot]	☐

This report will give you a month-by-month summary of employees and indicates any compliance alerts as well as the employees who will need to be tested in the following month to determine ACA status.

Tip: This report will default to show data for last month; update the dates by clicking the "Dates" pillbox at the top right.

Review any compliance alerts that are generated and ensure all employee data is accurate.

Form 1094-C Employee Count

This report will give you a month-by-month count that will appear in Part III of Form 1094-C. **Review to ensure counts look accurate for your employee population.**