



---

# ACA Year-End Prep Webinar

December 6, 2023

Presented by:

Dev Romanowski, Training & Development Specialist  
Christy Hyduke, Premier Services Operations Consultant

# TODAY'S AGENDA

- + Important Dates & ACA Information
- + Responsibilities
- + ACA Pre-Processing Checklist & Other Resources
- + 1095-C & 1094-C Guidance
- + Year-End Processing Walk-Through

*Würkforce Inc. does not provide tax, legal or accounting advice. This webinar has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any transaction.*



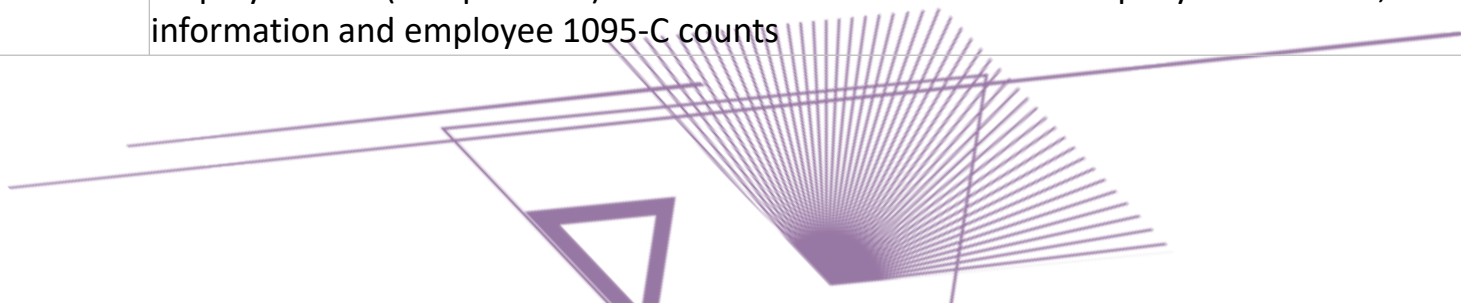
# Important Dates

- **December 6<sup>th</sup>** Clients to begin ACA Pre-Processing Checklist in Würk to prepare for ACA Year-End Processing.
- **January 1<sup>st</sup>** ACA Year-End 2023 Processing becomes available for Clients to complete.
- **January 19<sup>th</sup>** Clients to complete ACA Year-End Processing in Würk for *each* applicable EIN.
- **January 22<sup>nd</sup> – 31<sup>st</sup>** Würk will pull ACA data to file Federal & State 1094-Cs and print/mail 1095-Cs for Employee's that are terminated or have not elected electronic consent.
- Würk will communicate to clients (via ACA Support Ticket) data errors to be corrected in Würk; once corrections are made, new data files will be pulled.
- **February 1<sup>st</sup> – 29<sup>th</sup>** Würk to provide Clients with errors resulting from IRS file submissions that were “accepted with errors”.



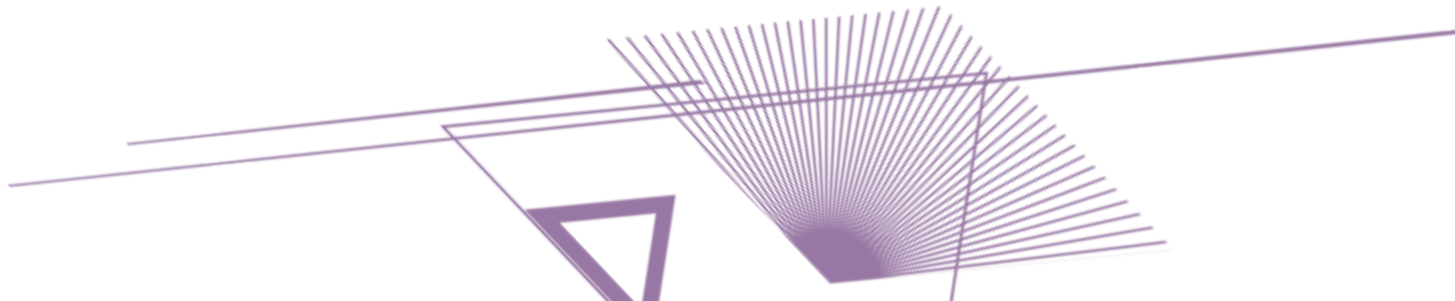
# Key Terms

| <b>Aggregated ALE Group</b>     | A group of related Applicable Large Employers (ALE)'s that together meet the 50 or more Full-Time/Full-Time Equivalent threshold.   |
|---------------------------------|---|
| <b>Hours of Service</b>         | Each hour an employee is paid for the performance of job duties, which also includes each hour an employee would have been paid for to perform job duties (i.e. Sick time, Vacation time, Holiday, Jury Duty, Bereavement, etc.)  |
| <b>Affordability Percentage</b> | Defined by the IRS on an annual basis and manually updated by a Würk Consultant. Affordability percentages are effective dated based on each clients' medical Benefit Plan year, not the calendar year.   |
| <b>Variable Employee</b>        | An employee that an ALE cannot predict or guarantee the number of hours to be worked, and therefore is unable to determine the employee's ACA Status ahead of time. An employee assigned to a "Variable" or "Part-Time" ACA Profile will be measured over a measurement period to determine their ACA Status.                             |
| <b>Non-Variable Employee</b>    | An employee that an ALE knows will work the required number of hours to quantify the employee as Full-Time. Employees assigned to a "Non-Variable" or "Full-Time" ACA Profile will receive a 1095-C and will be included on the employer's 1094-C.  |
| <b>Form 1095-C</b>              | Employee form provided to those who held a Full-Time ACA Status for at least one month in the reporting year. Indicates when the employee was eligible for medical coverage, when medical coverage was offered by the employer, the cost of the lowest (Employee Only) medical premium offered, and enrollment information if applicable. |
| <b>Form 1094-C</b>              | Employer form (one per FEIN) sent to the IRS that indicates company information, ALE details, medical coverage information and employee 1095-C counts   |



# ACA Acronyms

| <b>ACA</b> | Affordable Care Act        | Also known as "PPACA" and "Obamacare"  |
|------------|----------------------------|--|
| <b>ALE</b> | Applicable Large Employer  | Employer with 50 or more Full-Time (FT) + Full-Time Equivalent (FTE) employees.  |
| <b>MEC</b> | Minimum Essential Coverage | Any insurance plan that meets the Affordable Care Act requirement for having health coverage.  |
| <b>MV</b>  | Minimum Value              | A standard of minimum coverage that applies to job-based health plans.<br>A health plan is considered "minimum value" if it's designed to pay at least 60% of the total cost of medical services for a standard population & its benefits include substantial coverage of physician and inpatient hospital services. |



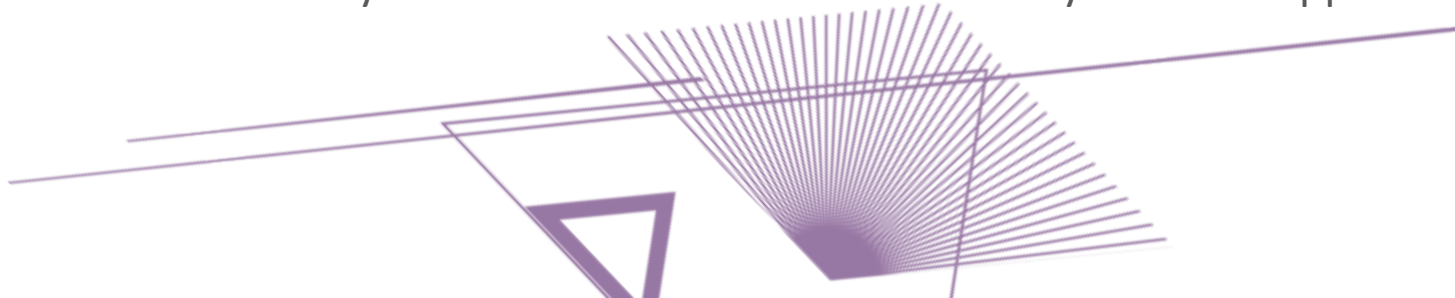
# ACA Information to Note

- **Biggest Change:** Employee's that have not elected electronic consent will be defaulted to US Mail delivery. As previously communicated, the cost for 1095-C printing and delivery is \$5/form, so encouraging employees to opt into electronic consent will save the processing costs of mailing 1095-Cs. Additionally, it is always Wurk's practice to try to minimize the impact we as an organization have on our environment, so please consider advocating for electronic delivery with your employees.
- The IRS has removed mention of "good faith effort" when it comes to providing individuals with the Forms 1095-C on time (as of 2022)
  - Previously, ALE's were able to have penalties and fees either waived or reduced.
- IRS has extended the deadline for furnishing 1095's to 30 days after 1/31 (or the next business day, if the 30th day falls on a weekend or legal holiday), but Wurk will be maintaining a 1/31/2024 deadline
  - Current states with ACA reporting requirements remain; employees must be included in state reporting if they **lived** in any of these states during the reporting year:
    - California
    - Washington D.C.
    - Rhode Island
    - New Jersey
    - Massachusetts
    - Vermont
- No new fields and/or codes have been added to the Form 1095-C for 2023 reporting.



# Client Responsibility

1. Review *ACA Pre-Processing Checklist* and corresponding employee data and settings in Würk; make updates as needed.
2. Communicate any questions via ACA Support Ticket or join one of Würk's ACA Office Hours in January.
  - January 3rd
  - January 10th
  - January 17th
3. Complete Year-End Processing steps in Würk for all applicable EINs filing in 2024 by the **January 19<sup>th</sup>** deadline. This is to ensure timely filing and mailing of forms 1094-C & 1095-C.
4. Review and take necessary action on ACA data errors sent via your ACA Support Ticket.



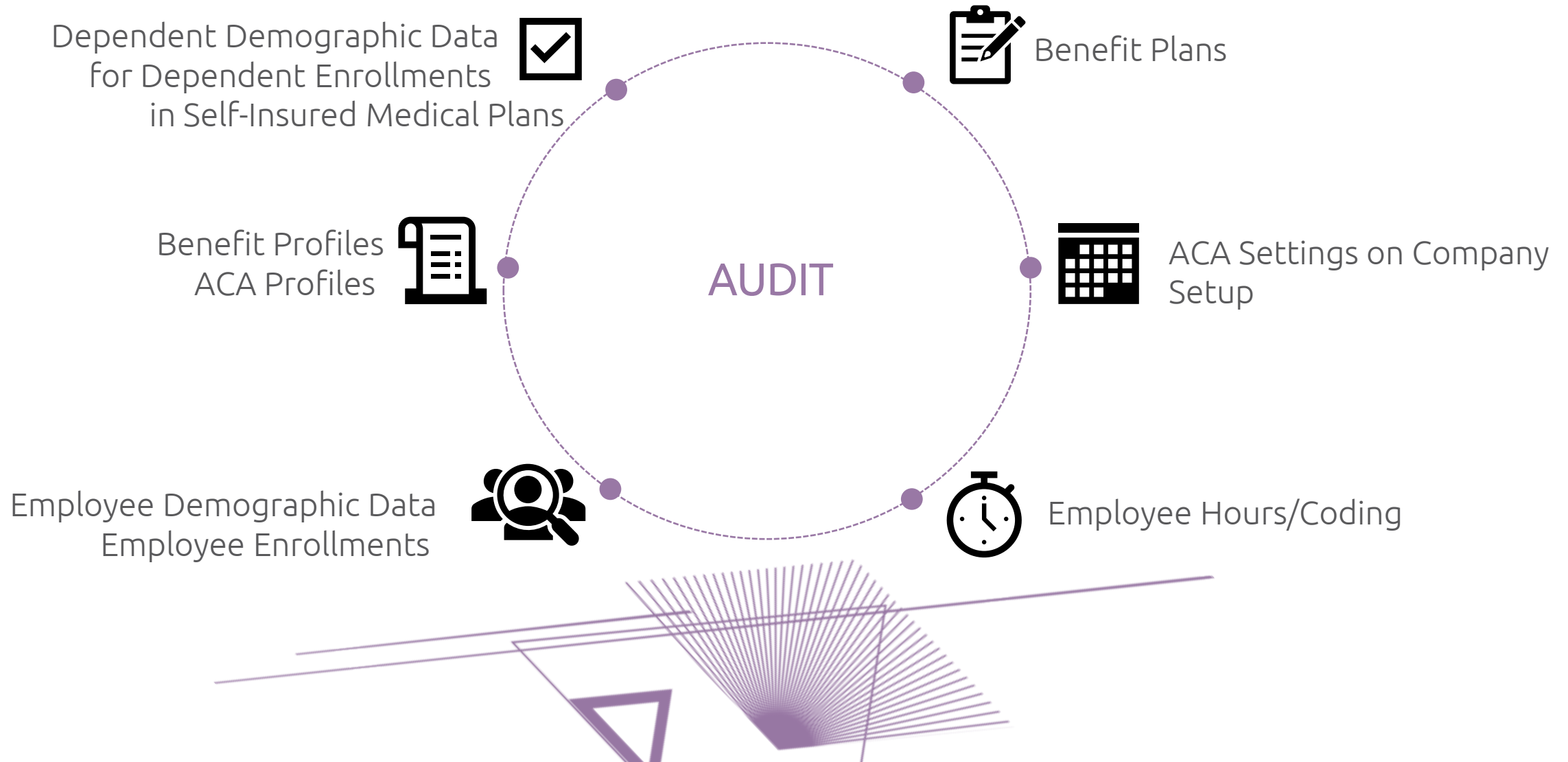
# Würk's Responsibility

1. Respond to ACA Support Ticket questions in a timely manner.
2. Pull data files from Würk & file with the IRS and applicable states once client ACA Processing is completed.
3. Mail 1095-C forms to Active Employees that have not elected Electronic Consent and Terminated Employees who had a 1095-C form generated during client ACA Processing.
4. Provide Clients with filing errors and resolutions via ACA Support Ticket that are returned during IRS ACA filing.





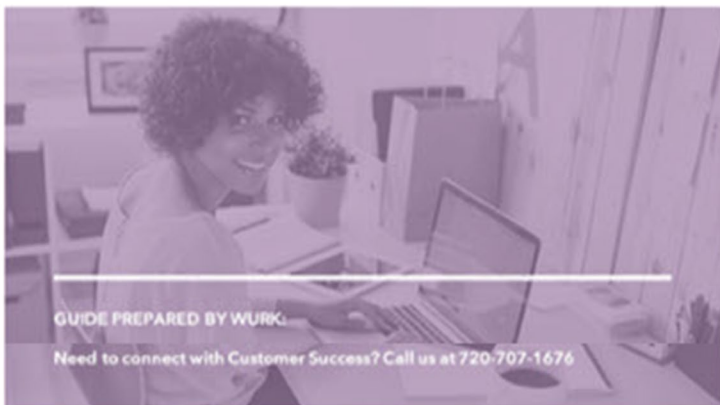
# Before Generating Forms



# ACA Pre-Processing Checklist

würk

## ACA Manager Year End Guide & Pre-Processing Checklist



### EMPLOYEE INFORMATION

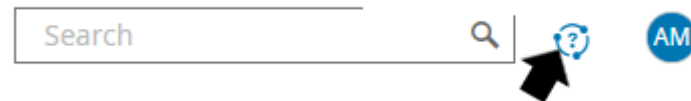
My Team > Employee Information

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

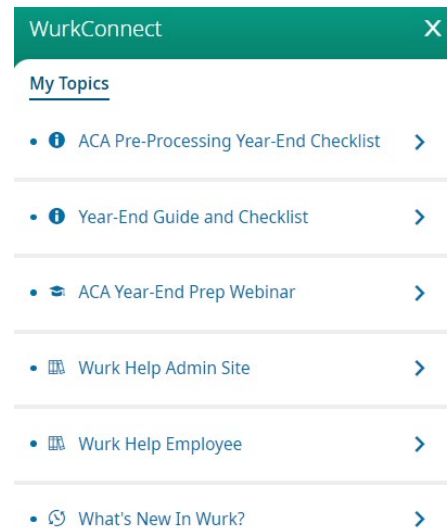
| Profiles   | Completed?               |
|--|--------------------------|
| <p><b>Benefit Profile</b></p> <p>The first step you will want to complete is to verify that each employee has the correct Benefit Profile. The Benefit Profile assigned to the employee will direct ACA Manager to the appropriate 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. <b>During this step, you will also want to ensure every employee who is eligible for benefits has a "Benefit Eligible" Profile attached.</b></p> <p><b>Note:</b> 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. <b>If you need this added to your setup, please reach out to Support via your ACA ticket.</b></p> <p><b>Benefit Profile Effective Date</b></p> <p>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.</p> <p><b>Important:</b> If a new hire/re-hire's Benefit Profile Effective Date is <b>prior to</b> the actual date the employee is first eligible to begin medical coverage (i.e. 12/31/1900 for current year new &amp; re-hires/benefit eligible employees, or a date within their Waiting Period), <b>this will negatively impact ACA calculations.</b></p> <p><b>Ensure every employee who is eligible for medical benefits has a "Benefit Eligible" (or equivalent) Profile reflecting the correct Effective Date.</b></p> <p><b>How to Verify:</b> Starting from the <i>Employee Information</i> report, add the "Benefit Profile (Effective Date From)" and "Current Benefit Profile (Effective)" columns.</p> <p><b>Note:</b> This column will <b>only</b> display the current Benefit Profile assigned, <b>not</b> future dated Benefit Profile assignments.</p> <p><b>What to Look For:</b></p> <p>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</p> <p><b>Example:</b> An employee with a Hire Date of 10/21/2020 will be eligible to begin their medical benefits on 12/1/2020 (the 1<sup>st</sup> 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.</p> | <input type="checkbox"/> |

# WurkConnect

- The [\*ACA Pre-Processing Checklist\*](#) has also been loaded into WurkConnect to prompt you to review different areas in the system and give you the ability to check off each item as you complete it. [Click here to learn more about WurkConnect.](#)
- To access the checklist, log in to Würk and click on the WurkConnect button in the upper right-hand corner.



- The WurkConnect panel will come up and you'll navigate to ACA Year-End and walk through each of the checklist items.



# Würk Help Resources

<https://wurkhelp.knowledgeowl.com/help>

The screenshot displays the Würk Help Resources website. The header is purple with the Würk logo on the left and a 'Contact Us' link on the right. Below the header is a search bar with the placeholder text 'Search for articles...'. The main content area features a grid of nine buttons: 'Getting Started', 'What's New', 'Using Würk', 'Managing HR', 'Managing TLM', 'Managing Payroll', 'Recruitment', 'System Admin', and 'Training Portal'. A tenth button, 'Year-End Prep', is located below the grid and is highlighted with a purple border. The left sidebar is dark grey and contains a list of categories with expandable arrows. The 'ACA - Affordable Care Act' category is expanded, showing a list of links: 'ACA Reports Guide', 'Understanding ACA Codes', 'ACA Year-End Processing FAQs & Troubleshooting Guide', 'ACA Processing Guide - PDF' (marked as 'New'), and 'ACA Manager 2021 Year End Guide and Pre-Processing Checklist - PDF'. At the bottom of the page, there are three sections: 'Popular Articles', 'New Articles', and 'Updated Articles'.

✕ würk Contact Us

Search for articles...

Getting Started What's New Using Würk

Managing HR Managing TLM Managing Payroll

Recruitment System Admin Training Portal

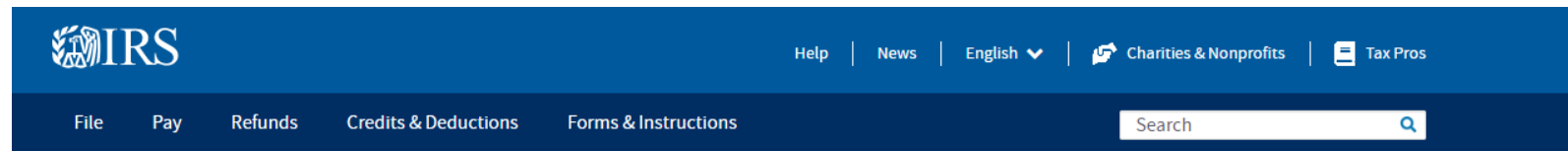
Year-End Prep

Popular Articles New Articles Updated Articles

Getting Started  
What's New  
Using Würk  
Managing HR  
Managing TLM  
Managing Payroll  
Recruitment  
System Admin  
Training Portal  
Year-End Prep  
Payroll  
ACA - Affordable Care Act  
ACA Reports Guide  
Understanding ACA Codes  
ACA Year-End Processing FAQs & Troubleshooting Guide  
ACA Processing Guide - PDF New  
ACA Manager 2021 Year End Guide and Pre-Processing Checklist - PDF

# IRS Information Center

<https://www.irs.gov/affordable-care-act/employers/aca-information-center-for-applicable-large-employers-ales>



[Home](#) / [Affordable Care Act](#) / ACA Information Center for Applicable Large Employers (ALEs)

## ACA Information Center for Applicable Large Employers (ALEs)

### Individuals and Families

#### Employers

#### ALE Info Center

#### Health Care Tax Tips

#### Questions and Answers

#### List of Tax Provisions

#### Legal Guidance and Other Resources

### Summary

Two provisions of the Affordable Care Act apply only to applicable large employers (ALEs): the employer shared responsibility provision and the employer information reporting provision for offers of minimum essential coverage. In addition, self-insured ALEs – that is, employers who sponsor self-insured group health plans – have additional provider information reporting requirements.

Employers must determine their ALE status each calendar year based on the average size of your workforce during the prior year. Employers that had at least 50 full-time employees, including full-time equivalent employees, on average last year, are most likely an ALE for the current year.

- [How to Determine if you are an ALE](#)
- [Resources and Outreach Materials for Applicable Large Employers](#)

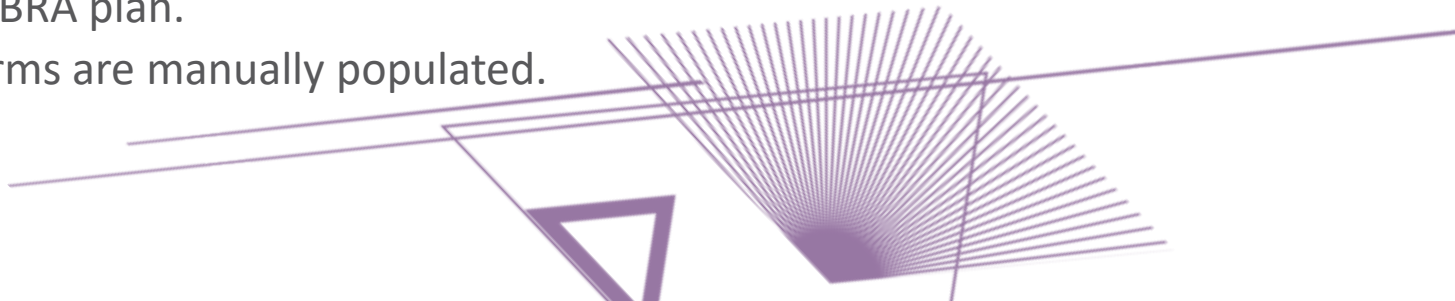
### What's Trending for ALEs

### Employer Topics

- [HealthCare.gov](#)
- [Small Business Health Care Tax Credit and the SHOP Marketplace](#)
- [Employer Shared Responsibility Provisions](#)
- [Information Reporting by Applicable Large Employers](#)
- [Information Reporting by Providers of Minimum Essential Coverage](#)
- [Affordable Care Act Information Returns \(AIR\)](#)
- [ACA Information Center for Tax Professionals](#)

# Form 1095-C Best Practices

- 1095-C
  - Generated for all employees who held an ACA Full-Time status in Würk for at least one month during the reporting year.
- All overrides and/or manual changes should be made to an employee's *ACA Timeline*, **not** to their individual Form 1095-C.
  - The Form 1095-C is populated directly from the employee's *ACA Timeline* . If a manually adjusted Form 1095-C is deleted, this will also remove the manual changes made.
- Dependent Form 1095-C (*clients with Self-Insured Plans ONLY*)
  - Used for individuals who do not have accounts in Würk but must receive a 1095-C for a self-insured plan.
  - Example: Former spouse or just aged out dependent child who enrolls in a self-insured COBRA plan.
  - Forms are manually populated.



# Form 1094-C Populate Form

- Clicking Populate Form presents you with a pop up that will automatically fill out the form based on the selections that are chosen.
- The only manual adjustment you may need to make is adjusting the form counts in Line 18 and 20 for any Dependent Forms 1095-C that need to be included or after any additional 1095-Cs that are added or removed thereafter.

1094 Questionnaire Confirmation

☒ This is the authoritative transmittal for this ALE Member

☒ ALE Member is a member of an Aggregated ALE Group for at least one calendar year month

ER is part of an Aggregated ALE Group for the following months

X

☒ All Months

ER qualifies for the 98% Offer Method

Yes

Qualifying Offer Method

Yes

☒ A Minimum Essential Coverage (MEC) plan was offered to at least 95% (70% in 2015) of full time employees and dependents

☒ All Months

CANCEL

OK



# ACA Year-End Processing Walk-Through Demo



# ACA Year-End Processing Demo

- Accessing Work Connect / Work Help
- Recalculate Employee Timelines
- 1095-C Forms
  - Add Forms
  - Populate
  - Review
  - Finalize
- 1094 Form
  - Add Form
  - Populate
  - Review/Edit
  - Finalize



# Next Steps/Important Dates

| Item   | Owner         | Due Date            |
|--|---------------|---------------------|
| Client Completes <a href="#">Year-End Pre-Processing Checklist</a> | Client        | 12/06-12/31         |
| ACA Office Hours   | Würk          | 1/3<br>1/10<br>1/17 |
| Client Completes <a href="#">Year-End Processing in Würk</a>       | Client        | 1/2-1/19            |
| ACA Files Pulled for Filing 1094-C & Mailing 1095-C                | Würk & Client | 1/22-1/31           |
| IRS Errors Returned from Filing                                    | Würk & Client | 2/1-2/29            |



# Important Processing Items

- Review Test/Broker/Dummy Work Accounts are setup correctly & ensure 1095-C forms are not created.
- Update 2023 ALE Group List
- Processing is PER EIN
- Plan Start Month of “00” represents the employee was not eligible for any (Medical) Plans during 2023.
- Companies with Self-Insured (Medical) Plans who create 1095-C Dependent Forms must manually update lines 18 & 20 on the 1094 form.
- “Deliver” 1095-C Forms AFTER Work has confirmed successful E-Filing w/IRS.



# Questions?





würk

---

THANK YOU