

## ACA Frequently Asked Questions

### Q1. Are lookback period and measurement periods located in iSolved?

Yes, they are set up in iSolved as Read Only. This screen is assigned to certain user roles. It is located in Client Management>ACA Setup Options>ACA Measurement Policies.

Measurement policies were established when the ACA Client Information document is or was completed and returned to us, otherwise a default calendar year & 30-day admin period is set up as the ongoing measurement period.

### Q2. How can we determine if we are part of a Controlled Group?

Consult your legal advisor for your specific concerns about common ownership & controlled groups.

**Controlled Group - a controlled group** exists when any two or more entities are connected through common ownership in a parent-subsidary, a brother-sister, or a combination of the two **controlled groups**. When several entities (whether incorporated or unincorporated) share common ownership, a **controlled group** or common **control** may exist.

### Q3. How do I know what form/statement I send to the IRS and my employees?

Per [irs.gov](http://irs.gov)

Each ALE Member must file a [Form 1095-C](#), Employer-Provided Health Insurance Offer and Coverage, and [Form 1094-C](#), Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns, with the IRS for its full-time employees. The ALE Member must also furnish a similar statement to each of its full-time employees.

Employers, whether or not they are ALEs, that are self-insured – that is, employers who sponsor self-insured group health plans – must report information about employees (and their spouse and dependents) who enroll in coverage under the [information reporting requirements for providers of minimum essential coverage](#).

Self-insured employers that are ALEs must use [Form 1095-C](#) and the transmittal [Form 1094-C](#) to meet their reporting requirements.

**Q4: Probationary Period: I have a client telling me that they offer coverage first of the month after 90 days following their hire date. How should this be reflected in the system? Most of my clients have had the offer of coverage date the same as the benefit start date.**

1. For “Full Time” employees you must offer coverage within 90 days of hire and a 30-day orientation Period.
2. For employee classified as “ACA Variable” on their employment date, you must measure them. Their stability period, which is benefit start date, begins after the Administrative Period. The IRS rule is that if an employee merits medical benefits based on the measurement period, they cannot go for more than 13 and a fraction of a month without offered benefits.

**Q5: If someone is terminated and then re-hired a couple months later, does that person re-start their period for ACA calculations? Alternatively, does it keep the previous history and combine that with the new history for calculations?**

ALEs may treat an employee who is rehired after terminating employment or returns after a leave of absence as a *new employee* only if:

1. The employee was not credited with an hour of service for at least 13 (26 for educational institutions) consecutive weeks immediately before resuming work; or
2. For periods shorter than 13 consecutive weeks, the employee was not credited with an hour of service for a period that was at least four consecutive weeks AND longer than the employee’s prior period of employment.

**Example:**

- Hire Date 1/2/2015- Terminated 1/31/2015 (employed 30 days)
- Rehired 3/15/2015 (less than 13 weeks)

However, they have been gone at least 4 weeks (in this example 6 weeks) *and* longer than the employee’s prior period of employment (employed 30 days). This employee can be treated as a new hire, even though they were not gone 13 weeks.

**Q6: If an employer is not an Applicable Large Employer (ALE), and is not self-funded, are any forms required?**

No. Employers that are not considered an ALE and are not self-funded are not subject to the Affordable Care Act requirements.



### **Q7: What do the ACA Codes Mean?**

To get a full listing of the ACA codes and their meanings you can go to the IRS website, link provided below.

IRS: <https://www.irs.gov/pub/irs-pdf/f1095c.pdf>