

APPENDIX



ACA YEAR-END PROCESS: APPENDIX

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YEAR-END PROCESS SECTION DESCRIPTIONS

✔ SET SEG will complete this section for you

! There is an associated task assigned to you. See Instructions

<p>✔ Affordability</p>	<p>✔ Affordability Assignment</p>	<p>✔ Year-End Review</p>
<p>This section will be used to review how each safe harbor will apply.</p> <p>An ACA team member will automatically apply a default safe harbor, based on the number of employees that have passed the affordability check, as well as previous filing preferences.</p>	<p>This section will be used to evaluate and assign safe harbors to each employee.</p>	<p>This section will be used to confirm filing information like the return address being used for any undeliverable 1095-C forms, as well as for answering a series of general questions for the filing year.</p>
<p>! Preview Forms</p>	<p>✔ Audit</p>	<p>✔ Ad Hoc Edits</p>
<p>This section will be used to generate a PDF file that populates all 1095-C forms, as well as apply form codes based on the data we have within the system. This section will also show the total number of forms that will be created.</p>	<p>This section contains a simple auditing tool to help us spot potential issues with rendered forms, such as, inaccurate data or missing information.</p>	<p>This section allows an ACA team member to make changes to individual 1095-C forms. Ad hoc edits are typically only recommended if it has been determined that the form codes are not being applied accurately or if there is not enough time to upload corrected data.</p>
<p>✔ 1095 Delivery</p>	<p>✔ E-File</p>	<p>✔ Close Tax Year</p>
<p>This section will be used to initiate the print-to-mail process, so that we can confirm the forms that we would like to mail to employees.</p>	<p>This section will be used to generate your Form 1094-C, as well as track the status of your filing with the IRS. An ACA team member will e-file on behalf of our customers. After the file has been transmitted, you may check the status of this at any time by clicking the blue View E-File Result button.</p>	<p>This section will be used to display a summary of the year-end process, including details of when each section was completed and by whom, the number of forms that were edited, when forms were mailed to employees and all pertinent e-file information.</p>



ACA 1095-C FORM CODES CHEAT SHEET

Every applicable large employer needs to make sure Form 1095-C has Lines 14-16 completed with the correct information. Here is a breakdown of each line and what the corresponding codes mean:

Line 14 – Offer Coverage

Line 14 specifies the type of coverage, if any, offered to an employee, spouse, and dependents. The code chosen must indicate the coverage offered to the employee, which may not necessarily match the level of coverage the employee chose. These codes also indicate whether the offer met minimum essential coverage (MEC), minimum value (MV), and/or was considered an ACA qualifying offer.

Line 15 – Employee Share of Lowest Cost Monthly Premium for Self-Only Minimum Value Coverage

Line 15 specifies the employee share of the lowest-cost monthly premium for self-only minimum essential coverage (MEC), providing minimum value (MV) offered to the employee. This amount may not equal the actual amount the employee is paying for coverage.

Line 14 Codes	Code Descriptions	Line 15 (cost required?)
IA	Minimum essential coverage (MEC), minimum value (MV), that meets FPL Safe Harbor was offered to employee, dependents, and spouse (qualifying offer)	
IB	MEC and MV was offered to employee only.	✓
IC	MEC and MV was offered to employee and dependents.	✓
ID	MEC and MV was offered to employee and spouse.	✓
IE	MEC and MV was offered to employee, spouse, and dependents.	✓
IF	MEC was offered to employee, spouse, and dependents but the coverage did not provide MV.	✓
IG	Employee was not full-time (FT) for any month in the calendar year, but they were enrolled in self-insured coverage for one or more months of the calendar year (must apply for all 12 months).	

Line I4 Codes	Code Descriptions	Line I5 (cost required?)
IH	No offer of coverage was made.	
IJ	MEC and MV was offered to employee and MEC was conditionally offered to spouse.	✓
IK	MEC and MV was offered to employee; at least MEC offered to dependents; and at least MEC conditionally offered to spouse.	✓
IL	Individual coverage HRA offered to employee only. Affordability determined by using employee's primary ZIP code.	✓
IM	Individual coverage HRA offered to employee and dependent(s). Affordability determined by using employee's primary ZIP code.	✓
IN	Individual coverage HRA offered to employee, spouse, and dependent(s). Affordability determined by using employee's primary ZIP code.	✓
IO	Individual coverage HRA offered to employee only. Affordability determined by using primary job site ZIP code.	✓
IP	Individual coverage HRA offered to employee and dependent(s). Affordability determined by using primary job site ZIP code.	✓
IQ	Individual coverage HRA offered to employee, spouse, and dependent(s). Affordability determined by using primary job site ZIP code.	✓
IR	Individual coverage HRA that is offered to some combination of employee, spouse, and dependents; however, the plan does not meet affordability requirements.	✓
IS	Individual coverage HRA offered to an individual who was not a full-time employee.	✓
IT	Individual coverage HRA offered to employee and spouse (not dependents). Affordability determined by using employee's primary ZIP code.	✓
IU	Individual coverage HRA offered to employee and spouse (not dependents). Affordability determined by using primary job site ZIP code.	✓

Line 16 – Section 4980H Safe Harbor Codes and Other Relief

Line 16 provides the IRS information to administer the employer shared responsibility provisions. It is used to report whether your district complied with the employer mandate.

If the same code applies for all 12 calendar months, it will be entered into the All 12 Months box.

Line 16 Codes	Code Descriptions
2A	This employee was not employed during this month.
2B	The employee was not FT for the month and did not enroll if coverage was offered.
2C	The employee enrolled in the coverage.
2D	The employee was in a Limited Non-Assessment Period (LNAP) for the month.
2E	Employee is eligible for the multiemployer interim relief rule.
2F	The coverage offered is affordable based on the Form W-2 Safe Harbor.
2G	The coverage offered is affordable based on the Federal Poverty Line Safe Harbor.
2H	The coverage offered is affordable based on the Rate of Pay Safe Harbor.



TROUBLESHOOTING FAQS

600120

Form **1095-C** **Employer-Provided Health Insurance Offer and Coverage** VOID CORRECTED OMB No. 1545-2251
 Department of the Treasury Internal Revenue Service **2022**
 ▶ Go to www.irs.gov/Form1095C for instructions and the latest information.

Part I Employee				Applicable Large Employer Member (Employer)									
1 Name of employee (first name, middle initial, last name) Hildegarde Willbourne		2 Social security number (SSN) XXX-XX-X847		7 Name of employer ZZ Demo - Grant-Presley Public Schools				8 Employer identification number (EIN) 338977420					
3 Street address (including apartment no.) 125 Schiller Terrace				9 Street address (including room or suite no.) 672 4th Park				10 Contact telephone number 313-560-8470					
4 City or town Lansing		5 State or province MI		6 Country and ZIP or foreign postal code 48930		11 City or town Detroit		12 State or province MI		13 Country and ZIP or foreign postal code 48206			
Part II Employee Offer of Coverage				Employee's Age on January 1					Plan Start Month (enter 2-digit number): 00				
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)	1H												
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** (2022)

Part I:

What if the wrong SSN is showing for an employee?

At some point, the wrong SSN and employee name was included in one of your employee files. Please [contact us](#) to fix this.

Part II:

Why is 1H listed on line 14 for X month, when the employee was offered coverage?

There are a few different reasons why line 14 shows a 1H code (for one or more months).

- You didn't report an offer for this employee.
- The offer you reported occurred mid-month. For purposes of Form 1095-C Part II, the IRS defines an employer offer of health coverage for a month only if health coverage was provided for every day of that month.

Why is the Employees Age on January 1 field blank?

This information is only required if the employee is enrolled in an ICHRA plan, otherwise this field will be left blank.

What does it mean if Plan Start Month shows the value “00”?

This field will show the number of the corresponding month of when your plan year begins. If this field is showing 00, it is because the employee did not enroll in the plan.

What should I expect to see on Line 15?

Line 15 is used to show the employees required monthly contribution for the lowest cost plan offered to them as a single subscriber.

Why is there a missing cost on Line 15?

Line 15 is used to report the employee’s share of the lowest-cost monthly premium for self-only qualifying coverage. The amount reported on line 15 may not be the amount they paid for coverage if, for example, they chose to enroll in more expensive coverage (such as family coverage). Line 15 will show an amount only if code IB, IC, ID, IE, IJ, IK, IL, IM, IN, IO, IP, or IQ is entered on line 14. If you were offered coverage but not required to contribute any amount towards the premium, this line will report 0.00 for the amount.

What if more than one code applies on Line 16?

- If 2E and any other code series 2 applies, the form should default to 2E.
- If 2C and any other code series 2 applies other than 2E, the form should default to 2C.
- If 2B and 2D apply, the form should default to 2D.

Part III:

Why was Part III (3) left blank?

Part 3 of the 1095-C will be left blank if:

- No one was enrolled in coverage for any month of the year.
- The coverage is through a fully-insured plan.

Miscellaneous:

When will employees receive a copy of their 1095-C Form?

SET SEG will work with each group to ensure all forms are postmarked no later than the IRS deadline of March 2, 2023. Please contact us if an employee has not received their form in 14 or more days from the date of mailing.

Why don’t I see a form for X employee?

If an employee was not full-time or did not receive coverage through a self-insured plan during any month of the calendar year, they will not receive a Form 1095-C. If you believe an employee’s form is missing from the forms preview, please contact us.

What if a non-full-time employee has a form?

Only full-time employees or employees enrolled in a self-insured plan should receive a Form 1095-C. If you see a form for an employee that you believe should not receive a form, you should review:

- Payroll
 - Check for unusually high hours.
 - Employment status change during the year (from part-time to full-time).
- Offer of coverage
 - If the plan associated with this employee includes Self-Insured within the name and that information is incorrect, please contact us.

When do I report a COBRA offer?

Generally, an offer of COBRA continuation coverage due to termination of employment is not reported as an offer of coverage on Part II of 1095-C, unless the employee enrolled in the COBRA coverage. If an employee was offered COBRA due to a reduction in hours, the COBRA offer should be reported, so that the employee receives a form.

How do I report a COBRA offer?

COBRA offers may be reported by uploading an Offer of Coverage file to the SET SEG member portal. On the upload new files page, click Select File below the heading COBRA File and click Submit.



* COBRA File - Self-funded Plans- Year end for forms processing

Select File

Accepted file types: csv, Max. file size: 32 MB.

You will not receive an email with upload results as this file will be processed manually by an ACA team member. These files will be processed within approximately 24 hours from when they are uploaded.



HOW TO CONTACT US

If you need help interpreting your forms, making form corrections, or have any questions about the ACA Year-End Process please reach out to us for help.

Email

customerservice@setseg.org

Phone

(800) 292-5421

Schedule a virtual meeting with your
ACA Account Representative:

<https://setseg.org/my-set-seg/my-account-overview>