



A more human resource.™

Don't let the reporting complexities of the Affordable Care Act (ACA) put your clients at penalty risk.

Only 46% of mid-sized employers are prepared for the new ACA Reporting requirement*

Have your clients done their pre-work? Before an organization can begin reporting they must determine:

- Whether their organization is an Applicable Large Employer (ALE) for 2015
- Which of their staff members were full-time employees for each calendar month
- The lowest cost, Minimum Essential Coverage benefit plan they offered to employees in 2015
- If their benefit plans are fully-insured or self-insured
- If their organization is part of an Aggregated Applicable Large Employer Group

Are they able to gather it all? In order to properly complete ACA reporting at BOTH the company and employee levels they must integrate data from:

- Time and Attendance
- HR
- Benefits
- Payroll

Form 1095-C: Employee-Provided Health Insurance Offer and Coverage. This form includes sections for Employee Information, Applicable Large Employer Member (ALE) Member, Employee Offer and Coverage, and Coverage Information. It features a grid for reporting coverage for each calendar month from January to December.

Time and Attendance

HR and Benefits

Payroll

Form 1094-C: Transmittal of Employee-Provided Health Insurance Offer and Coverage Information Returns. This form includes sections for Applicable Large Employer Member (ALE) Member, Total number of Forms 1095-C, and ALE Member Information. It includes a grid for reporting the number of Forms 1095-C submitted for each calendar month.

*ACA Study, ADP Research Institute, 2014. Mid-sized employers defined as 50-999 employees.

What if they got ACA reporting wrong?

The **penalties for noncompliance** can add up quickly.



\$500 Total

\$250 per IRS Return and Employee Statement



\$6 Million

Total for both the IRS Return and the Employee Statement



MAXIMUM PENALTY

The June 29, 2015 passage of the Trade Preferences Extension Act significantly increased the basic penalties for failing to file correct information returns and payee statements from \$100 per return/statement to \$250 per return/statement and increased the standard annual penalty cap from \$1.5 million to \$3 million. Note that if the reporting failure relates to both an information return and separate payee statement, the penalties are doubled (*i.e.*, to \$500 per failure and an annual penalty cap of \$6 million).

Now is the time to refer you clients to ADP TotalSource® for ACA reporting.

Insights

Give your clients the ability to leverage our expertise with access to a dedicated HR Business Partner and the support of an ACA Center of Excellence which can assist them with ACA questions and on-going ACA related compliance milestones.

Strategy

ADP TotalSource can help your clients with establishing long term, comprehensive business strategies that help keep them compliant and increase employee engagement — the key to remaining competitive.

Tools

Even if your clients have disparate systems today, ADP TotalSource can help them convert to a fully integrated Human Capital Management system. Delaying action does not avoid their fast approaching reporting obligation.

To learn more about how ADP can help your clients, contact us at 855-408-3751 or complete the contact form at adp.com/backtobiz.