



# ADP SmartCompliance<sup>®</sup>

## ADP Health Compliance for Government and Educational Organizations

### Reduce risk for your government/education agency by addressing Affordable Care Act complexities

Since 2015, employers in the public and private sector have utilized ADP Health Compliance for furnishing Forms 1095-C to their employees as well as transmitting Forms 1094-C/1095-C to the IRS to meet ACA IRS reporting requirements.

IRS furnishing and filing requirements are just a start, with much more at stake under the ACA law: meeting Employer Shared Responsibility measures (Internal Revenue Code Section 4980H(a) and (b)) as well as meeting the IRS furnishing and filing requirements in a timely manner with correct and complete information (Internal Revenue Code Sections 6055 and 6056).

ADP Health Compliance is an award-winning, robust solution that can not only provide for the filing and furnishing requirements of today for the ACA, but also place employers in a positive position against potential future IRS penalty notices.

### Data

Data problems can drive inaccuracies in employers' calculations, Forms 1094-C/1095-C, and IRS transmissions, may ultimately result in IRS penalties and other compliance issues.

- ADP Health Compliance **aggregates 172 data points** into ACA Eligibility and Affordability calculations to accurately populate Forms 1094-C/1095-C from various systems and platforms into one ADP Health Compliance solution.
- Our **data conditions review, calculations and summary review processes** are designed to catch potential data conditions before they become larger compliance issues and errors on Forms 1094-C/1095-C, triggering IRS penalty notices for non-compliance with Internal Revenue Code Sections 4980H(a), 4980H(b), 6055 and/or 6056.

### Business Intelligence and Calculations

Based on an employer's data, four distinct calculations take place to provide visibility into data used for various purposes throughout their organization and how actions impact ACA compliance.

- **ACA Eligibility calculations** to determine an employee's full-time or part-time status based on ACA rules and assisting employers to determine who should and should not be offered benefits to avoid penalties.
- **Affordability calculations** to determine values for Forms 1095-C generation, safe harbors to be used in IRS filing information and to provide proof of lowest-cost plans, comparison to employee compensation and other benefits/credits offered as part of an employee's health benefits package.
- **ACA IRS Forms 1094-C/1095-C generation** to illustrate the impact of health plans offered and selected, employee status and what and how Forms 1095-C and 1094-C will reflect business decisions and supporting system of record data. This includes tools to address code combinations as determined by the IRS Forms instructions, and the ability to drill down on Minimum Essential Coverage (MEC) to determine if a particular FEIN does or does not meet the required 95% threshold and why.
- **State Reporting requirements** are evolving and utilize the same data used for ACA IRS Forms 1094-C/1095-C. New Jersey, Washington DC, California and Rhode Island are requiring employers to report health coverage information on employees who are residents of these states. This is not based on work location, and requires forms to be generated for employees and electronic transmission of filing data to states. Our award-winning solution has the data, intelligence and capability to help you meet the evolving state reporting requirements.

OMNIA<sup>®</sup>  
PARTNERS

**ADP**  
Always Designing  
for People<sup>™</sup>

# Trusted ACA Partnership for Government and Educational Organizations

Government and education agencies need a partner with deep expertise to manage complex health coverage requirements, handle IRS and new state employer reporting, and help protect their organizations from potential penalties.

*"I rest more easily at night knowing we have a service provider that has the capacity to be the expert that we know we can't be. We know our system, and we know our HR data. Our expertise in that, combined with ADP's experience in the law, has really built a great process with a great outcome."*

## Mary Beth Short

Payroll, Benefits, Retirement, and Safety and Claims Operations Division Director, King County

## OMNIA Partner Contract # R151901

Managed Business/Operational Service and Solutions. Contract Period: May 1, 2016 to April 30, 2021.

This contract has been competitively solicited and publicly awarded with no need to go through a costly and time-consuming solicitation process. It has already been done for you! Available to state and local government entities and educational institutions in all 50 states.



### The BIG Innovation Awards

recognize those organizations and people who bring new ideas to life. Whether that idea is **big** or small, these ideas change the way we experience the world. Unlike other

programs, nominations are judged by recognizable leaders, not editors or writers with limited business experience.

## Exchange and ACA IRS Penalty Management

ADP provides a robust team, approach and solution to assist organizations with Employer Shared Responsibility (ESR) and potential ESR Payment (ESRP) assessments that could cost employers millions.

- **Research employees** and offers of coverage in question
- **Provide updated data** to employers to assist with responses to dispute proposed ESRP amounts
- **Produce updated data and templates** to employers to assist employers with return packages in response to IRS Penalty Notices

### ADP Health Compliance Comprehensive Services include:

- Dedicated service organization & assigned Account Manager
- Notice to Employees of Coverage Options
- ACA Eligibility, Affordability & Forms 1094-C/1095-C calculations and monthly reviews
- Generation, furnishing (print & mail) and electronic filing of IRS Forms 1094-C and 1095-C, as well as reprints & retransmission
- Exchange and ACA IRS Penalty Management
- Inclusive pricing of all print, mailing, transmission, reprint and retransmission activities

 <b>Technology &amp; Intelligence</b>	 <b>Focused Specialists</b>	 <b>Guidance &amp; Insights</b>
 Leverage next-gen technology solutions to analyze and automate data for compliance accuracy and visibility	 Staying current with regulations, strategic, tenured and experienced associates	 Monthly reviews & analysis include comprehensive comparison of data and forms
 Proactively determine and surface potential penalty scenarios and data anomalies at time of import	 Dedicated team to monitor and interpret regulations and trends from federal (ex. IRS) and state agencies	 IRS Penalty Notice timely research & reviews for best mitigation options

Tackle data conditions and technology challenges to help you avoid significant business costs.

Expert specialists dedicated to proactively streamline your ACA compliance strategy so your team can have peace-of-mind.

Intuitive and easy processes to relieve you of complex and challenging ACA activities that can impact penalty exposure.

For more information about ADP Health Compliance, or to schedule a live demo visit [adp.com/GovEd](http://adp.com/GovEd) or call (855) 237-4236.

**About OMNIA Partners:** OMNIA Partners, Public Sector is the premier purchasing organization for state and local government, K-12 education, colleges and universities. All contracts available have been competitively solicited and publicly awarded by a government entity serving as a lead agency while utilizing industry best practices and processes. With the most experienced team in cooperative procurement and supply chain management, OMNIA Partners, Public Sector has the expertise to help public organizations achieve their strategic goals. All contract documentation is available on [omniapartners.com/publicsector](http://omniapartners.com/publicsector).

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