THE LOCAL CHOICE E-NEWS EXTRA

Department of
State and Local Health Benefits Programs

December 5, 2016

Affordable Care Act (ACA) Reporting for Calendar Year 2016

Three final steps are required for DHRM to file 2016 ACA reports on your behalf. If these steps are not completed by the due dates, DHRM will not be able to file these ACA reports with the Internal Revenue Service (IRS) to comply with the ACA employer mandate to report healthcare coverage offered to employees.

Step 1: Reconcile your group's 2016 data.

The final BES ACA Reconciliation Report, dated December 3, 2016 is available to help you reconcile your group's data for compliance with the ACA mandate. The deadline to reconcile 2016 records is December 20, 2016. Be sure this report reflects an accurate record of coverage offered to all ACA eligible employees. Instructions, sample reports and a form for corrections are attached.

Step 2: Obtain valid social security or taxpayer identification numbers.

The employer is responsible for making "reasonable efforts" and documenting each attempt to obtain a valid social security number (SSN) or Taxpayer Identification Number (TIN) for each employee and their covered family members. A Numbered Memo dated September 14, 2015 provides information on documenting your attempts to collect these numbers.

A new report named BES/IRS SSN Comparison, dated December 3, 2016 is available to help you identify persons in the BES database that do not match records at IRS. Some of the SSNs in the BES database are not valid per the IRS; other SSNs were valid but the name in BES does not match the IRS record. If possible, correct these discrepancies or document your attempt to collect them by December 20, 2016.   State agencies may key the corrections directly in BES. TLC groups may use the Personal Data Change form to make corrections.

Step 3: Submit annual ACA Certification.

In order for DHRM to complete the ACA filing with the IRS, each BES group is required to submit an annual ACA Certification by December 31, 2016.   The web-based ACA Certification will be available on December 9, 2016. Any one of the four contacts for a group may submit the certification using the new tool named SecurePass. Follow these instructions:

1. Register for a SecurePass Account.

a. Know your SSN, DHRM-assigned/BES ID, and date of birth. SecurePass validates the data you enter to the data on file in the DHRM BES database.
   b. Go to SecurePass (https://securepass.dhrm.virginia.gov), click 'Register' and follow the prompts. When approved, an email with a registration token is sent to you.
   c. Copy the registration token and return to SecurePass. Click 'Complete Registration' and use the token to complete your registration.

1. Register for Application Access.
   a. Login to SecurePass using your User Name and Password.
   b. Click 'Register for Application Access'.
   c. Click 'Application' and select 'ACA Certification'.
   d. Select 'Data Access: All' and click 'Submit'.
   e. Click 'Done' and wait for an email approving access to ACA Certification. This may take 1-2 business days.

2. Complete and submit the ACA certification by December 31, 2016.
   a. Once you receive the approval email, you may login to SecurePass and select ACA Certification from the navigation menu on the left of the page.
   b. Select the group being certified and verify the group contact information.
      1. DHRM requires a certification for each BES group number.   The group number is a three-part number (Agency/Group/Subdivision) that appears on all BES reports in Hurman.   Each BES group number includes an Employer FEIN which is used to file with IRS.
      2. DHRM combines certifications using the same FEIN and reports them to IRS as one employer. The combined number of full-time employees will determine if the employer is considered a large employer or a small employer.   Forms 1094C and 1095C will be filed for large employers. Forms 1094B and 1095B will be filed for small employers. The BES group with the highest enrollment will be reported to IRS as the primary contact.
   c. Using the ACA definitions published by IRS, carefully enter the employer information for the group selected. Use this link for IRS guidance: https://www.irs.gov/affordable-care-act/employers/determining-if-an-employer-is-an-applicable-large-employer
   d. Submit the certification by the deadline and keep a copy for your records.
      1. Re-submit the certification if you need to make corrections after it has been submitted.
      2. The certification on file after the due date is the certification that will be used for reporting.

Thank you for your attention and prompt assistance in this major ACA reporting requirement. If you have questions, please contact OHB@dhrm.virginia.gov if you are a State Agency, or TLC@dhrm.virginia.gov if you are a TLC group.

Attachments:
2016 ACA Report Codes & Samples
2016 ACA Certification

Please do not reply to this e-mail. You may send inquiries to the TLC mailbox at tlc@dhrm.virginia.gov.