



# How to setup Affordable Care Act (ACA)

## Products

### Sage 100

## Description

How to setup Affordable Care Act (ACA)

How do I know if I need to file 1094-C and 1095-C forms

How do I determine if I am a Applicable Large Employer

How do I prepare 1094-C and 1095-C forms.

## Disclaimer

### Support

Sage Customer Support does not provide assistance for issues related to third party products or enhancements, hardware, report customizations, state or federal tax-related questions, or specific accounting questions. Please contact your Sage Business Partner, network administrator, or accountant for assistance. Please review [this document](#) for additional information on the scope of Sage Customer Support Services.

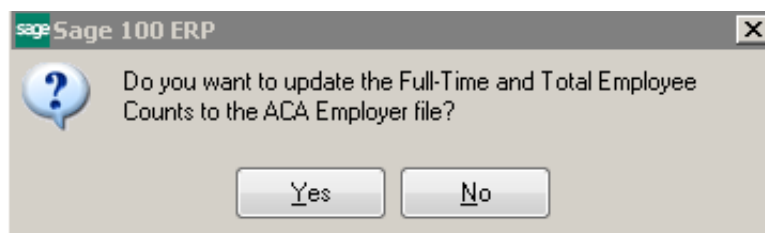
## Resolution

- **ACA enhancements are available in the following Sage 100 ERP versions:**
  - 2014 PU5 - Released March 30, 2015 - Search KB **60428** to download & install 2014 PU5
  - 2015 PU1 - Released April 7, 2015 - Search KB **60763** to download & install 2015 PU1
  - 2013 PU9 - **TBD**
  - 4.50 PU8 - **TBD**
  
- **After upgrading or installing the applicable Product Update, you must enable Role Security:**
  1. Open **Library Master, Main, Role Maintenance**
  2. Select applicable **Role** from look up
  3. Select the following check boxes:
    - On the **Tasks** tab, expand **Payroll, Maintenance/Data Entry**, select **ACA Employee & ACA Employer Maintenance**
    - On the **Tasks** tab, expand **Payroll, Reports/Forms**, select **ACA Applicable Large Employer Report**
  4. Click **Accept**
  
- **Verify Payroll Options**
  1. Open **Payroll, Setup, Payroll Options**
  2. On the **Main** tab, verify **Retain Perpetual History** is selected. *\*\*If this option was not selected before processing your first payroll in 2015, your data that is populated in the ALE Report may be not be accurate. (See related article - Perpetual History was not turned on for ACA Reporting)*

- **Determine if you are Applicable Large Employer Report (ALE Report)**

**Note** The ACA Applicable Large Employer Report is offered as a self-help tool for your independent use. Sage cannot and does not guarantee the report's accuracy or applicability to your circumstances. To comply with the Affordable Care Act, hours of service must be reported by calendar month. Because hours worked are tracked by pay periods in Sage 100 ERP and pay periods may span more than one month, a calculation is performed to get an approximate monthly total. The total is an estimate and may not reflect the actual hours worked. For specific tax or legal advice, see a professional tax service provider or an attorney, as appropriate.

1. Open **Payroll, ACA, ACA Applicable Large Employer Report**
2. Click **Earnings to Exclude** to specify which (if any) earnings codes you want to exclude from the report in the Earnings to Exclude window.
  - **Note** Only earnings codes that use the Standard and Add Amount to Rate entry methods are included in the report calculation
3. In the **Period End Date Range Starting** and **Ending** fields, **enter the date range for the report**
  - **Note** The maximum range is 12 months. Because of the need to prorate the hours worked for pay cycles that span multiple months, the report calculations will be more consistent when you generate the report for the maximum 12-month date range. If the report is generated for a shorter date range, the prorated hours for some months may not be reflected in the report totals.
4. **Print Seasonal Employees**, select this check box to include information for seasonal employees in the report. Seasonal employee information is printed in a separate section on the report, and their information is not included in the report totals. Clear this check box if you do not want to include seasonal employee information in the report
5. **Print Totals Only**, select this check box to print totals only. Clear this check box to print employee details
6. Make any other selections as needed
7. **Print** and **review the report**. Change selections and reprint if needed
8. Close the task window
9. Click **Yes**, when the following message appears asking if you want to update the ACA Employer file



After clicking Yes, the employee counts are then updated to the ACA Employer file which appear in the ALE Member Information - Monthly window accessed from ACA Employer Maintenance.

**Notes:**

- Because of the need to prorate the hours worked for pay cycles that span multiple months, the report calculations will be more consistent when you generate the report for the maximum 12-month date range. If the report is generated for a shorter date range, the prorated hours for some months may not be reflected in the report totals.
- For information on how the employee totals are calculated, see *related article below - How are hours calculated on the ACA Applicable Large Employer Report*

- **Setup ACA Employer Maintenance**

Use ACA Employer Maintenance to enter information that will appear on Form 1094-C.

1. Open **Payroll, ACA, Employer ACA Maintenance**
2. Enter the applicable **Calendar Year**
3. The Employer Name, Address and EIN auto populated from Company Maintenance (to make

changes go to *Library Master>Main>Company Maintenance*)

4. Enter the **Contact Name** and **Contact phone number**
5. If your company is a **Designated Government Entity**, fill in all applicable fields
6. Select the check box, if your company is an **ALE Member Part of an Aggregated Group** during any month of the calendar year.
  - o Click **Other Members** button, enter the **names** and **federal employer identification numbers (EINs)** of other members of the same group.
7. Click **Monthly Detail** button to enter information for each month. You can automatically update the employee counts when you print the ALE Report *\*\*See Determine if you are Applicable Large Employer Report section of this article*
  - o **Note:** *If Perpetual History was not selected before running your first payroll of 2015, you may manually enter employee counts in this window*
8. In the **ALE Member Information - Monthly** window, enter and review the following for each calendar month:
  - o **Min Essential Coverage** - **Select this check box** if your company **offered** full-time employees an opportunity to enroll in an employer-sponsored health care plan that meets the ACA minimum essential coverage requirements. Clear this check box if your company did not.
  - o **Full-Time Employee Count** - Enter the number of full-time employees. This field can be automatically filled in by generating the ACA Applicable Large Employer report and then clicking Yes when asked if you want to update the counts to the ACA Employer file.
  - o **Total Employee Count** - Enter the number of full-time and full-time equivalent (FTE) employees. This field can be automatically filled in by generating the ACA Applicable Large Employer report and then clicking Yes when asked if you want to update the counts to the ACA Employer file.
  - o **Aggregated Group** - Select this check box if your company is a member of an aggregated group. Clear this check box if your company is not a member of an aggregated group.
  - o **Transition Relief Indicator** - If your company is eligible for section 4980H transition relief, enter the code indicating the type of relief for which it is eligible.

- **Setup ACA for Employee's**

1. You can access from one of the following menu tasks:
  - o Open **Payroll, ACA, ACA Employee Maintenance**, select **Employee No** from look up
  - o Open **Payroll, Main, Employee Maintenance**, select **Employee No** and click **ACA** button
2. The **1095-C Electronic Consent Signed** can be viewed only, *if you need to select this check box, go to Employee Maintenance, click on Wages tab, click Filing Status button*
3. If applicable, select **Provided Self Insured Coverage**
  - o **Select this check box** if the employee **was enrolled** in employer-sponsored self-insured health coverage offered by your company during any part of the calendar year. *Selecting this check box will enable the Covered Individuals button, where you will enter additional information for each covered individual*
  - o **Clear this check box** if the employee **was not enrolled** in employer-sponsored self-insured health coverage offered by your company during any part of the year
4. Click **Monthly Details** button, for each calendar month, do the following:
  - **TIP:** *If the employee's information is the same for each month, enter information in the first row, and then click the Copy to Remaining Rows button*
  - o **Offer of Coverage** - select the applicable code for the type of coverage offered to employees from look up
    - Indicator codes for employee offer and coverage - *(this code populates into Form 1095-C Part II line 14)*
  - o **Employee Share of Lowest Cost** – enter the employee's share of the lowest-cost monthly

premium for self-only minimum essential coverage providing minimum value that is offered to the employee. Enter the amount including any cents. If the employee is not required to contribute toward the premium, enter 0.00 (*this amount populates into Form 1095-C Part II line 15*)

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    - **TIP:** Press **F2** to open the calculator
  - o **Applicable Section 4980H Safe Harbor** – select the applicable Safe Harbor code from look up (*this code populates into Form 1095-C Part II line 16*)
5. Click **Accept**
  6. Click **Covered Individuals** button (*this is only available if Provided Self Insured Coverage is selected*)
    - o Use the Covered Individuals window to enter information for employees and their dependents who were enrolled in employer-sponsored self-insured health coverage offered by your company during any part of the calendar year. (*this information populates into Form 1095-C, Part III*).
      - Enter the **Full Name, Social Security #, Date of Birth** and select applicable calendar months that each individual was covered (*Including the employee*)
        - **Note:** If the individual does not have a Social Security number, enter his or her date of birth in the Date of Birth field
      - **Covered All Months** - select this check box if the individual was covered for at least one day in every month of the year. Clear this check box if the individual was not covered for at least one day in every month
      - **Months** - If the individual was not covered for at least one day in every month of the year, **select the check box for each applicable month** in which he or she **was covered**. **Clear the check box** for any month for which the individual was **not covered** at least one day in that month.
  7. Click **Accept**

- **Create an Employer Contribution deduction for Employer-Sponsored Health Coverage**

The Affordable Care Act (ACA) requires employers to report the cost of coverage under an employer-sponsored group health plan. Reporting the cost of health care coverage on the Form W-2 does not mean that the coverage is taxable. The value of the employer's excludable contribution to health coverage continues to be excludable from an employee's income, and it is not taxable. *See related article below, **How to Report Employer-Sponsored Health Coverage on the W2 form***

- **How to generate Forms 1094-C & 1095-C**

*Currently, Aatrix plans on releasing ACA forms in their year end update released on December 20, 2015*

1. Open **Payroll, Period End, Federal eFiling & Reporting**
2. After installing the Aatrix 2015 year end update the 1094 & 1095 forms will be listed

#### **Additional Information:**

- If you wish to import ACA information into Sage 100 ERP using Visual Integrator module, please see related articles below, **Where are the Affordable Care Act (ACA) Visual Integrator jobs located**
- If you have version 4.50 or 2013 installed and you may use the ACA worksheet to gather your ACA information, which can be imported after the appropriate product update is released. **Note:** You must own the Visual Integrator module. Please see related article, **ACA Reporting Worksheet for Sage 100 ERP**

## Related resources

[ACA Reporting Worksheet for Sage 100 ERP](#)  
[How are hours calculated on the ACA Applicable Large Employer report](#)  
[How to report Employer-Sponsored Health Care coverage on the W2 form](#)  
[Perpetual History was not turned on for ACA Reporting](#)  
[What files hold Affordable Care Act \(ACA\) information](#)  
[Where are the ACA Visual Integrator jobs located](#)

## Additional Information

### Additional ACA Resources:

- Affordable Care Act (ACA) Tax Provisions - <http://www.irs.gov/Affordable-Care-Act>
- IRS - Affordable Care Act Legal Guidance and Other Resources - <http://www.irs.gov/Affordable-Care-Act/Affordable-Care-Act-of-2010-News-Releases-Multimedia-and-Legal-Guidance>
- Instructions for 1094-C and 1095-C Forms: <http://www.irs.gov/pub/irs-pdf/i109495c.pdf>
- Questions and Answers on Employer Shared Responsibility Provisions Under the Affordable Care Act - <http://www.irs.gov/Affordable-Care-Act/Employers/Questions-and-Answers-on-Employer-Shared-Responsibility-Provisions-Under-the-Affordable-Care-Act>
- Questions and Answers on Reporting of Offers of Health Insurance Coverage by Employers (Section 6056) - <http://www.irs.gov/Affordable-Care-Act/Employers/Questions-and-Answers-on-Reporting-of-Offers-of-Health-Insurance-Coverage-by-Employers-Section-6056>
- Information Reporting by Providers of Minimum Essential Coverage - <http://www.irs.gov/Affordable-Care-Act/Employers/Information-Reporting-by-Providers-of-Minimum-Essential-Coverage>
- ACA Center on Sage City - <http://sagecity.na.sage.com/p/aca>
  - [Guide to the ACA's employer reporting requirements](#)
  - [Affordable Care Act: Reporting requirements for applicable large employers](#)
  - [How to determine if you should pay or play](#)

## Category

Configuration

Workflow

## Entitlement

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