Affordable Care Act Management Suite
Setup Guide

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ACA Overview

Alliance Payroll Services is ready to help your business manage employee data for Affordable Care Act compliance. The ACA Management Suite will automatically manage employee measurement periods, update employee ACA status and deliver email notifications that will keep your team informed.

What is the Affordable Care Act?

Businesses employing at least a certain number of employees (generally 50 full-time employees or a combination of full-time and part-time employees that is equivalent to 50 full-time employees) will be subject to the Employer Shared Responsibility provisions under section 4980H of the Internal Revenue Code (added to the Code by the Affordable Care Act). As defined by the statute, a full-time employee is an individual employed on average at least 30 hours of service per week. An employer that meets the 50 full-time employee threshold is referred to as an applicable large employer.

Under the Employer Shared Responsibility provisions, if these employers do not offer affordable health coverage that provides a minimum level of coverage to their full-time employees (and their dependents), the employer may be subject to an Employer Shared Responsibility payment if at least one of its full-time employees receives a premium tax credit for purchasing individual coverage on one of the new Affordable Insurance Exchanges, also called a Health Insurance Marketplace (Marketplace).

Determining if your company is an Applicable Large Employer

An Applicable Large Employer is any business with at least 50 or more full-time equivalent employees. For your 2015 plan year employers with fewer than 100 FTEs in 2014 may be eligible for transitional relief. Under transitional relief no Employer Shared Responsibility payment will apply for any calendar month during 2015.

In order to be eligible for the relief, an employer must certify that it meets certain conditions. Additional resources applicable to transitional relief:

- IRS - Transitional Relief Q&A
- Federal Register - Shared Responsibility for Employers Regarding Health Coverage

If your business is considered an Applicable Large Employer, you need to setup your ACA Management suite in AllPay.

Setting up your ACA Management Suite

Your AllPay Measurement Suite can be setup and activated in four steps:

1. **ACA Hours of Service Setup**
2. **Aggregate Common Ownership Setup**
3. **Measurement Period and Cost Setting Setup**
4. **Review and Activation of your ACA settings**

During the setup of your ACA Management Suite you will need the following information:

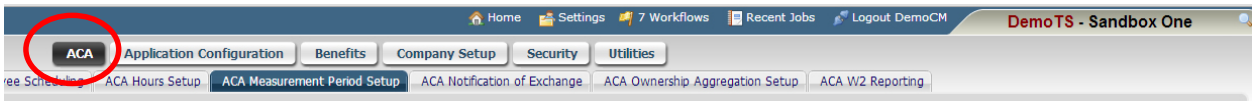
- **Measurement period Start Date**
- **Ongoing employee measurement period length in months**
- **New Hire measurement period length in months**
- **Stability Period length in months**
- **Start date of your first Stability Period**

Step One: ACA Hours of Service

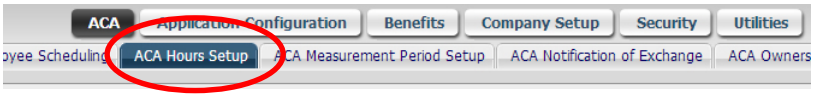
Under the ACA you need to measure an employee to determine if they average at least 30 hours of service per week during your company's defined measurement period. Generally, an hour of service means each hour for which an employee is paid, or entitled to payment, for the performance of duties for the employer; and each hour for which an employee is paid, or entitled to payment, for a period of time during which no duties are performed due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence.

Setting up your Hours of Service in AllPay

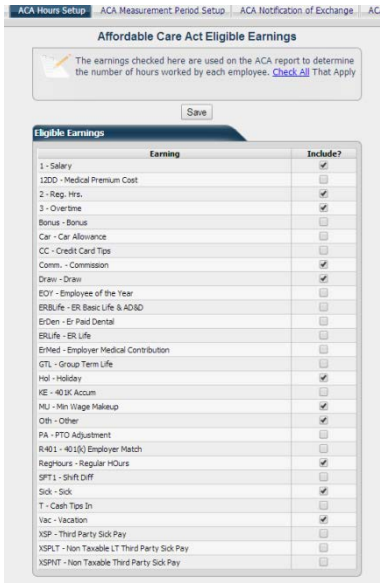
1. Login to AllPay
2. Select the 'Company' module on the home screen
3. Click the 'ACA' button located above the page tabs



4. Select the 'ACA Hours Setup' page



5. Select the check boxes associated with the earnings codes you need to track Hours of Service



6. Click the 'Save' button

You've now set the earnings codes that will be included in the measurement of your Hours of Service.

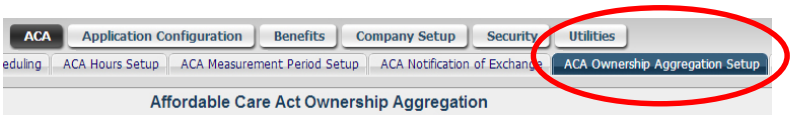
Step Two: Aggregate Common Ownership

(If you only have one AllPay company code skip this step and proceed to *Step Three: Measurement and Cost settings setup)*

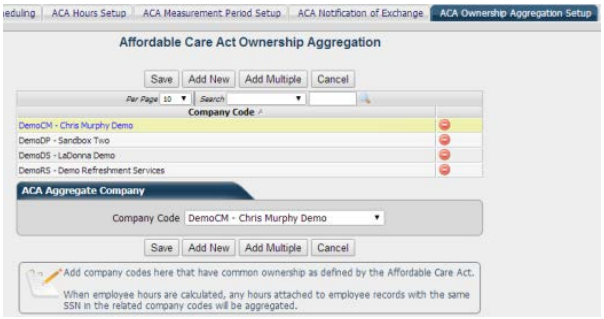
If your company has more than one AllPay company code and is subject to the *common ownership and control "aggregation"* rules, you will need to track employees across all of your AllPay accounts. Any hours attached to employee records with the same Social Security Number (SSN) in the related company codes will be aggregated for accurate measurement by AllPay.

ACA Ownership Aggregation Setup –

1. Select 'ACA Ownership Aggregation Setup' page



2. Use the 'Add New' button to add one company to your list
3. Use the 'Add Multiple' button when adding more than one company to your list
4. Click the 'Save' button when finished

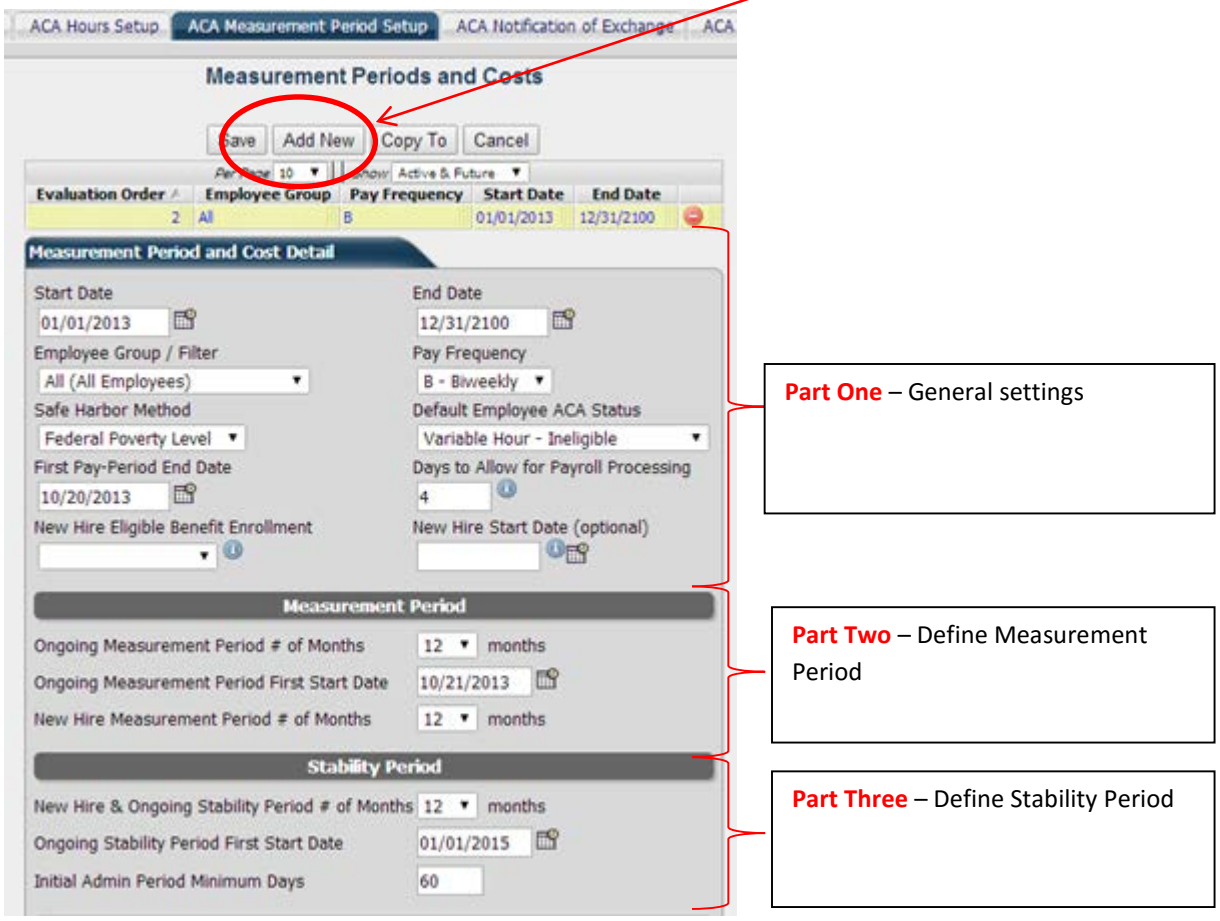


AllPay is now configured to aggregate employee hours of service across your company group.

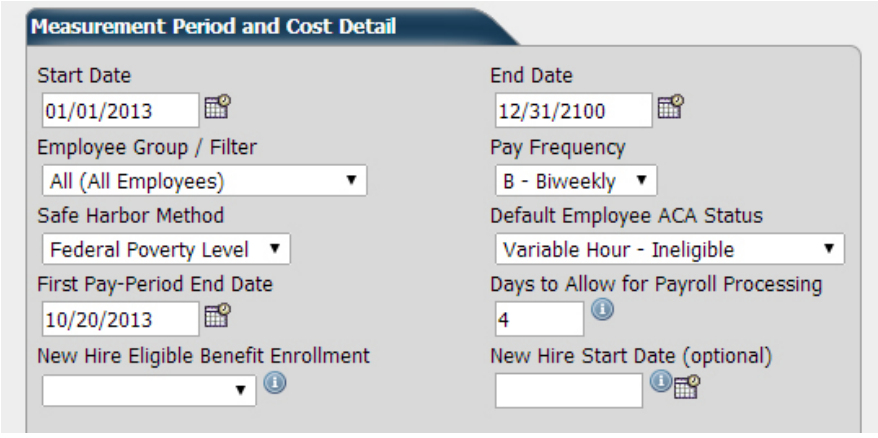
Step Three: Measurement Period and Cost Setup

The Employer Shared Responsibility Provisions under the Affordable Care Act allow for different measurement periods for certain approved classes of employees. If your business is planning on using different measurement settings for approved classes of employees you will need to complete this step for each defined employees class (e.g. hourly or salary). In AllPay you will define each class and Employee Group using employee filters. Contact your insurance broker for additional clarification on the use of approved classes of employees.

To setup measurement periods and cost details for an Employee Group, select the 'Add New' button and complete each section of the setup form.



Part One - General Settings

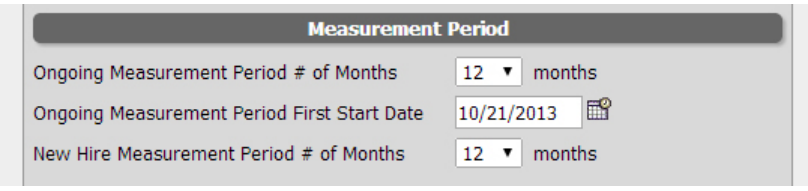


Field	Purpose
Start Date	Date to begin using measurement period and cost detail settings.
End Date	Date to stop using these measurement period and cost detail settings.
Employee Group/Filter	Use an 'Employee Filter' to define which employees are to be measured. When defining an Employee Filter for an approved class of employee you should name the filter to correspond to the Class of Employee. (How to use Employee Filters)
Pay Frequency	Select the pay frequency used to pay this group of employees.
Safe Harbor Method	Select the Affordability safe harbor method used by your company.
Default ACA Status	Select the default ACA Status assigned to New Hires: • **Full Time - Eligible**: The employee is full time and is eligible for medical benefits under the ACA regardless of how many hours are recorded for the employee in payroll. Use this status for new hires that have a reasonable expectation of working at least 30 hours per week on average. • **In Initial Measurement Period**: The employee is a new hire or a rehire and there is not a reasonable expectation that the employee will work more than 30 hours per week on average. The system will determine and update the employee's variable hour eligibility once the initial measurement period has elapsed. The initial measurement period and eligible hours are defined on the *ACA* page in the *Company » Company Setup* area. • **Variable Hour - Eligible**: The employee works a variable number of hours and is eligible for benefits for the last complete measurement period. Once the current measurement period ends the system will automatically calculate and change eligibility as necessary. • **Variable Hour - Ineligible**: The employee works a variable number hours and is ineligible for benefits for the last complete measurement period. Once the current measurement period ends the system will automatically calculate and change eligibility as necessary. • **Seasonal - Ineligible**: The employee is an ineligible seasonal employee as defined by the ACA. • **Exempt from Individual Mandate - Ineligible**: The employee is exempt from the individual mandate and is ineligible for benefits.
First Pay-Period End Date	Date of the first pay period end date used in your measurement settings. NOT your 1st check date. *(This field does NOT appear when Pay Frequency = Semi-Monthly)*

First Pay-Period End Day of Month	If your pay frequency is Semi-Monthly, enter in the period end day of the month for the first pay period of the month. *(This field only appears when Pay Frequency = Semi-Monthly)*
Second Pay-Period End Day of Month	If your pay frequency is Semi-Monthly, enter in the period end day of the month for the second pay period of the month (for the last day of the month enter 31). *(This field only appears when Pay Frequency = Semi-Monthly)*
New Hire Eligible Benefit Enrollment	If your company is using AllPay Benefit Administration, select the benefit enrollment that you want to be automatically assigned to eligible employees at the end of their initial measurement period.
New Hire Start Date (optional)	If specified, the system will not add a New Hire ACA period to employees hired before this date. This may be especially useful during the first year of the ACA.

Part Two - Measurement Period Definition

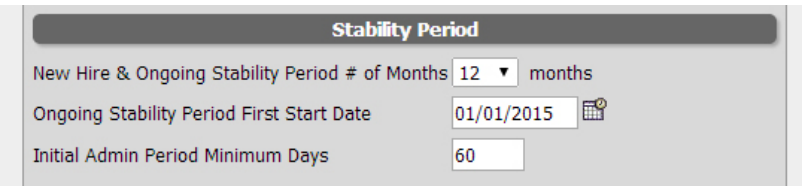
Define your Ongoing and New Hire measurement periods and the date you will used to begin measuring your ongoing employees. AllPay allows for 6-12 month measurement periods.



Field	Purpose
Ongoing Measurement Period # of Months	Define the number of months used to measure your ongoing employees.
Ongoing Measurement Period First Start Date	The date the system will first start to measure your ongoing employees.
New Hire Measurement Period # of Months	Define the number of months used to measure your New Hires in their initial measurement period.

Part Three - Stability Period Definition

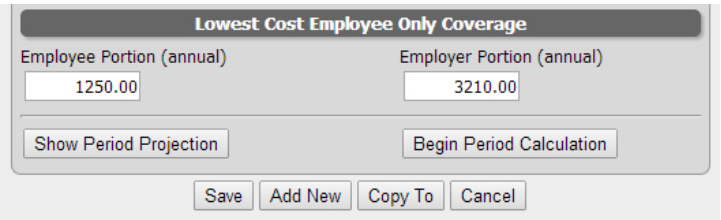
Define your Stability Period length, the start date of your first Ongoing Stability Period, and the minimum number of administrative days for New Hire.



Field	Purpose
New Hire & Ongoing Stability Period (# of Months)	Define your stability period in number of months. The Stability Period for employees determined to average at least 30 hours of service per week must be at least as 6 months and no shorter than the length of their Measurement Period.
Ongoing Stability Period First Start Date	Date your first Ongoing Standard Stability period will start.
New Hire Admin Period Minimum Days	The minimum number of days a new hire can be in an administrative period. The administrative period can be no longer than 90 days. The administrative period includes the period between a new employee's start date and the beginning of the initial measurement period, if the initial measurement period does not begin on the employee's start date. Due to regulations, if using a 12 month Initial New Hire Measurement Period, your admin period should not exceed 28 days. If your New Hire Measurement Period is 11 months, your admin period should not exceed 58 days.

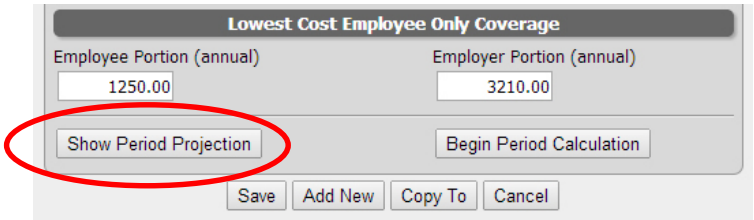
Part Four - Define low cost/bronze health plan costs.

Set your costs for your Low Cost benefit plan. Enter in the annual premium cost for the Employee and Employer portion.

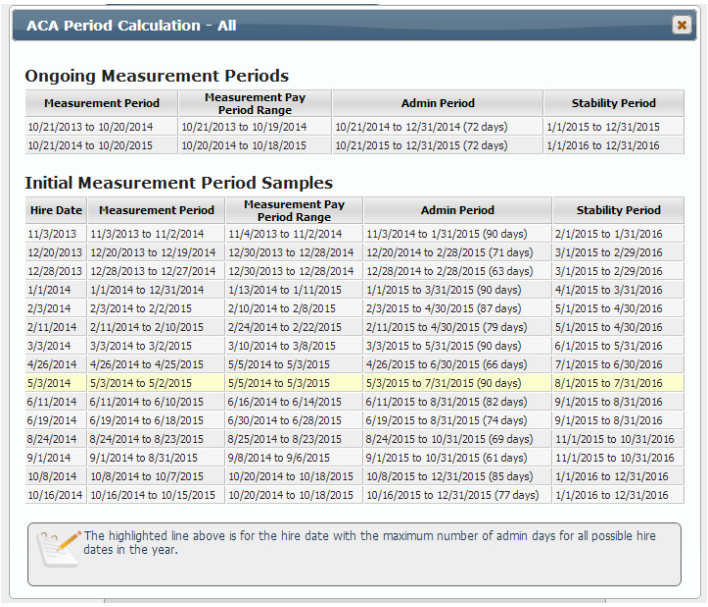


Step Four: Review and Activation of your ACA settings

Before activating your settings, review your setup by clicking the 'Show Period Projection' button.



A calendar will display all your period and administration data. If your settings create more than the allowed 90 administrative period days, you will see this here:



ACA Period Calculation - All

Ongoing Measurement Periods

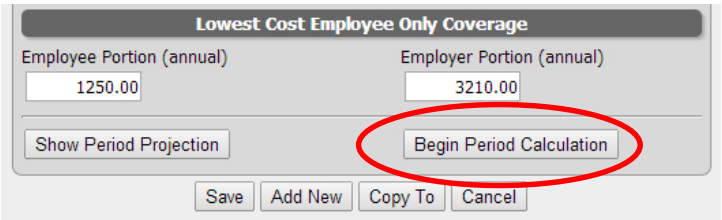
Measurement Period	Measurement Pay Period Range	Admin Period	Stability Period
10/21/2013 to 10/20/2014	10/21/2013 to 10/19/2014	10/21/2014 to 12/31/2014 (72 days)	1/1/2015 to 12/31/2015
10/21/2014 to 10/20/2015	10/20/2014 to 10/18/2015	10/21/2015 to 12/31/2015 (72 days)	1/1/2016 to 12/31/2016

Initial Measurement Period Samples

Hire Date	Measurement Period	Measurement Pay Period Range	Admin Period	Stability Period
11/3/2013	11/3/2013 to 11/2/2014	11/4/2013 to 11/2/2014	11/3/2014 to 1/31/2015 (90 days)	2/1/2015 to 1/31/2016
12/20/2013	12/20/2013 to 12/19/2014	12/30/2013 to 12/28/2014	12/20/2014 to 2/28/2015 (71 days)	3/1/2015 to 2/29/2016
12/28/2013	12/28/2013 to 12/27/2014	12/30/2013 to 12/28/2014	12/28/2014 to 2/28/2015 (63 days)	3/1/2015 to 2/29/2016
1/1/2014	1/1/2014 to 12/31/2014	1/13/2014 to 1/11/2015	1/1/2015 to 3/31/2015 (90 days)	4/1/2015 to 3/31/2016
2/3/2014	2/3/2014 to 2/2/2015	2/10/2014 to 2/8/2015	2/3/2015 to 4/30/2015 (87 days)	5/1/2015 to 4/30/2016
2/11/2014	2/11/2014 to 2/10/2015	2/24/2014 to 2/22/2015	2/11/2015 to 4/30/2015 (79 days)	5/1/2015 to 4/30/2016
3/3/2014	3/3/2014 to 3/2/2015	3/10/2014 to 3/8/2015	3/3/2015 to 5/31/2015 (90 days)	6/1/2015 to 5/31/2016
4/26/2014	4/26/2014 to 4/25/2015	5/5/2014 to 5/3/2015	4/26/2015 to 6/30/2015 (66 days)	7/1/2015 to 6/30/2016
5/3/2014	5/3/2014 to 5/2/2015	5/5/2014 to 5/3/2015	5/3/2015 to 7/31/2015 (90 days)	8/1/2015 to 7/31/2016
6/11/2014	6/11/2014 to 6/10/2015	6/16/2014 to 6/14/2015	6/11/2015 to 8/31/2015 (82 days)	9/1/2015 to 8/31/2016
6/19/2014	6/19/2014 to 6/18/2015	6/30/2014 to 6/28/2015	6/19/2015 to 8/31/2015 (74 days)	9/1/2015 to 8/31/2016
8/24/2014	8/24/2014 to 8/23/2015	8/25/2014 to 8/23/2015	8/24/2015 to 10/31/2015 (69 days)	11/1/2015 to 10/31/2016
9/1/2014	9/1/2014 to 8/31/2015	9/8/2014 to 9/6/2015	9/1/2015 to 10/31/2015 (61 days)	11/1/2015 to 10/31/2016
10/8/2014	10/8/2014 to 10/7/2015	10/20/2014 to 10/18/2015	10/8/2015 to 12/31/2015 (85 days)	1/1/2016 to 12/31/2016
10/16/2014	10/16/2014 to 10/15/2015	10/20/2014 to 10/18/2015	10/16/2015 to 12/31/2015 (77 days)	1/1/2016 to 12/31/2016

The highlighted line above is for the hire date with the maximum number of admin days for all possible hire dates in the year.

To activate your settings click the 'Begin Calculation' button.



Your Measurement and Cost settings are now active for this Employee Group. These settings will run automatically until the End Date defined in Part One of the form.

Setup FAQs

ACA Event Notifications

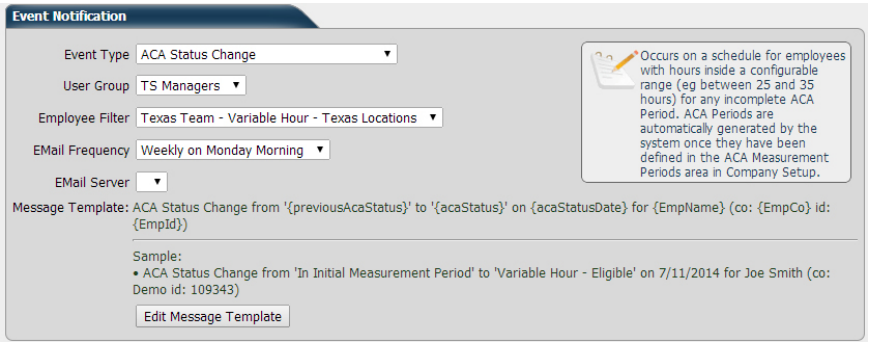
Notification Types

AllPay can automatically send Event Notification email alerts to AllPay user groups for the following:

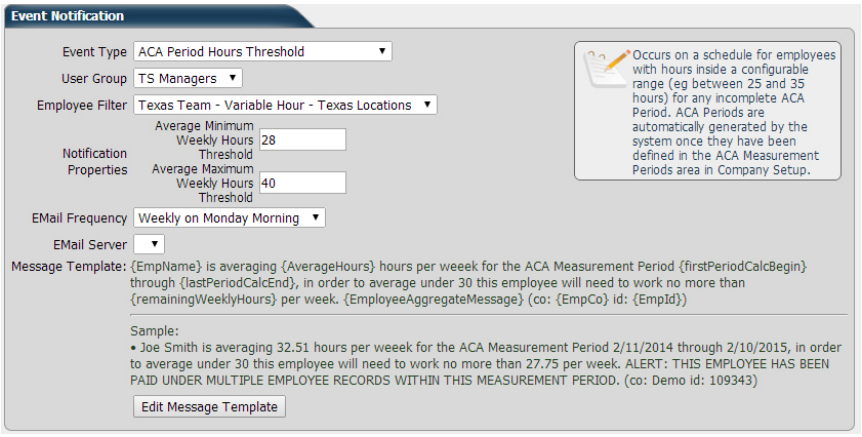
- ACA Status Change
- ACA Period Hours Threshold

These event notifications will assist your team in managing employee Hours of Service and taking proper compliance actions when an employee's ACA Status changes.

ACA Status Change – Contains a list of employees who's ACA Status has been changed. Employee ACA Status will automatically update at the end of each employee measurement period. ACA Periods are automatically generated by the system once they have been defined in the ACA Measurement Periods area in Company Setup.



ACA Period Hours Threshold - Occurs on a schedule for employees with hours inside a configurable range (eg between 25 and 35 hours) for any incomplete ACA Period. ACA Periods are automatically generated by the system once they have been defined in the ACA Measurement Periods area in Company Setup.



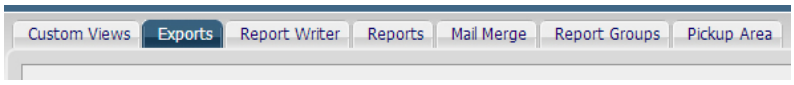
How to setup your ACA Event Notifications

1. Select the Company module
2. Select the 'Application Configuration' button, located above the page tabs.
3. Select the 'Event Notification' page
4. Select the 'Add New' button
    a. Select the Event Type
    b. Select the User Group - A user group is a group of AllPay Users. This is NOT a list of employees. If you need to create an AllPay User Group do the following:
        - Select the 'Security' button located above the page tabs
        - Select the 'User Group, page
        - Select the 'Add New' button
        - Create the Group Name
        - Add users to the group by clicking the green circle with the plus sign and save (Repeat this step until your User Group is complete)

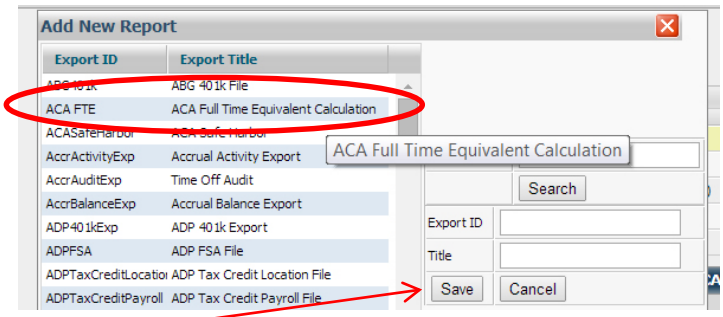
        NOTE: Event Notifications sent to an AllPay user will only contain employee data which the user is authorized to view
    c. Select the employee filter – this is the list of employees that the notification will monitor. If you need to create a new Employee Filter do the following:
        - Select the 'Employee Filter' page located to the left of the 'Event Notification' page
        - Select the 'Add New' button
        - Create the Filter Name and add the Filter Description (Keep the description clear so that other AllPay users can easily understand its use)
        - Click the 'Save' button
        - Use the 'Add New' button located in the 'Details' section to build your filter. (Repeat this step until complete)
        - Use the 'Test Filter' button to see a list of employees that are included in the filter
        - Save filter
    d. Complete any addition notification options like:
        - Average Minimum Weekly Hours
    e. Select the Email Frequency – How often the notification will send results
    f. Select the preferred 'Email Server' – AllPay can be configured to route email communication through your company email system. Your Email server options are configured using the 'Mail Server Setup' page located to the left of the 'Event Notification' page. These setting can be completed by your company's email administrator. When left blank emails will be sent from AllPay using the address of reply@alliancepayroll.com.
    g. Edit Message – You can edit the content of the notification message by clicking on the 'Edit Message Template' button
    h. Click the 'Save' button to complete setup

How do I determine my full-time equivalent total?

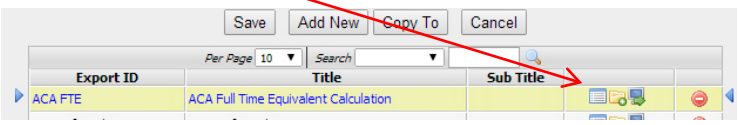
1. Login to AllPay
2. Go to the Reports Module
3. Select the Exports page



4. Click on the 'Add New' button
5. Select 'ACA Full Time Equivalent Calculation'



6. Click 'Save'
7. Select this report from your report list
8. Click the 'Properties' icon



9. Adjust your date range

10. Click Save & Run
11. The report will display your FTE totals for each month and date range

		Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	Apr 2014	May 2014	Jun 2014
1	Number of salary employees	0	0	0	0	0	0	0	0	0
2	# of hourly employees working at least 120 hours	0	6	7	6	6	7	6	0	6
3	All other hourly hours	580.35	185.79	116.20	141.15	200.47	105.71	156.06	650.55	217.11
4	Line 3 divided by 120	4.84	1.55	0.97	1.18	1.67	0.88	1.30	5.42	1.81
5	Total hourly FTEs (line 2 + line 4)	4.84	7.55	7.97	7.18	7.67	7.88	7.30	5.42	7.81
6	Total FTEs (line 1 + line 5)	4.84	7.55	7.97	7.18	7.67	7.88	7.30	5.42	7.81
		All Months								
7	**9 Month Total**	**63.62**								
8	**Average Monthly FTEs (line 7 Divided By 9)**	**7**								

How do I create a new Employee Group?

Employee Groups are defined with Employee Filters. If you need to create a new Employee Filter do the following:

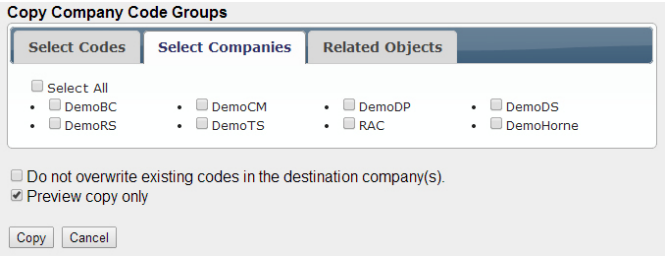
1. Go to the Company module
2. Click the 'Application Configuration' button
3. Select the 'Employee Filter' page
4. Select the 'Add New' button
5. Create the Filter Name and add the Filter Description (Keep the description clear so that other AllPay users can easily understand its use)
6. Click the 'Save' button
7. Use the 'Add New' button located in the 'Details' section to build your filter. (Repeat this step until complete)
8. Use the 'Test Filter' button to see a list of employees that are included in the filter
9. Save filter
10. You will need to log out and then log back into AllPay before you will see the filter as an option in the Employee Group field

How do I copy my ACA settings to additional AllPay accounts?

You will use the 'Copy To' function to copy ACA Hours of Service and Measurement Period settings. If your business falls into the Common Ownership rules you will need to go to each AllPay account to manage the Ownership Aggregation Setup.

How do I copy my ACA Measurement Period and Cost settings to additional AllPay accounts?

1. Go to the 'ACA Measurement Period Setup' page
2. Select the record to be copied
3. Click the 'Copy To' button
4. Click the 'Select Companies' tab and check the companies you're copying to



5. Click the 'Related Objects' tab and select any additional items to include in the copy
6. With the 'Preview copy only' box selected, click the 'Copy' button
7. Download and review the preview message from the Recent Job screen
8. To copy these settings, uncheck the 'Preview copy only' box and click the 'Copy' button
9. The Measurement Period and Cost settings have now been copied over to your selected AllPay accounts

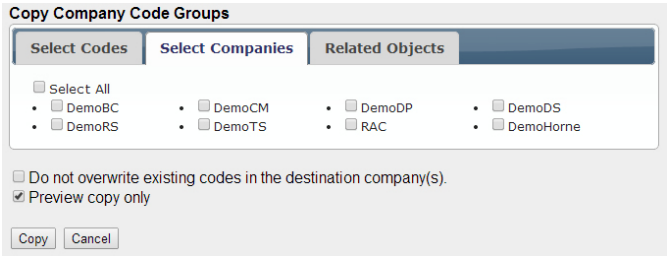
10. You will need to go to each company and click the 'Begin Period Calculation' button to activate the settings (Be sure to check your ACA Hours Setup and Ownership Aggregation before activating)

How do I copy my ACA Hours of Service settings to additional AllPay accounts?

(Your companies must use the same earnings codes)

1. Go to the Company module
2. Click the 'Company Setup' button
3. Select the 'Code Groups' page
4. Select 'ACA Earns' from the list

5. Click the 'Copy To' button
6. Click the 'Select Companies' tab and check the companies you're copying to



7. Click the 'Related Objects' tab and select any additional items to include in the copy
8. With the 'Preview copy only' box selected, click the 'Copy' button
9. Download and review the preview message from the Recent Job screen
10. To copy these settings uncheck the 'Preview copy only' box and click the 'Copy' button
11. The ACA Hours have now been copied over to your selected AllPay accounts

What if I need assistance with my ACA Setup?

Please send an email to ACA@alliancepayroll.com and we will be glad to assign you an ACA coach.