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QUICK ACA COMPLIANCE CHECKUP

Employer Shared Responsibility · Affordable Care Act

COMPANY / PLAN YEAR

PREPARED BY

DATE COMPLETED

1 Are You an ALE? (Applicable Large Employer) – If an ALE skip to step 3

You must comply with the ACA Employer Mandate if you averaged **50+ full-time (FT) and full-time equivalent (FTE) employees** during the prior calendar year.

- ☐ Counted all FT employees (30+ hours/week)
- ☐ Calculated FTE: Total monthly part-time hours ÷ 120
- ☐ Applied aggregation rules for companies under common ownership
- ☐ Determined ALE status for the applicable year

2 Self-Funded but Under 50 FTEs? – If yes, skip to step 5

Even if you are not an ALE, if your health plan is **self-funded**, you must still file **Form 1095-B**.

- ☐ Confirmed plan funding type is Fully Insured
- ☐ If self-funded and under 50 FTEs: prepared to file Form 1095-B

3 What Are Your ALE Obligations?

OFFER COVERAGE

- ☐ Provide Minimum Essential Coverage (MEC) meeting Minimum Value (MV)
- ☐ Offer coverage to at least 95% of full-time employees and their dependents

AFFORDABILITY

- ☐ Verified single, lowest-cost monthly contribution is below 9.96% of household income
Use an applicable safe harbor method (W-2, rate of pay, or Federal Poverty Line)
- ☐ Documented affordability calculations for audit readiness



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4 Determine Who Gets a Form

- ☐ Variable-hour employees: completed measurement period analysis for existing and new hires
- ☐ Fully insured plan: including all ACA-eligible full-time (30+ hour) employees
- ☐ Self-funded plan: included all ACA-eligible FT employees + anyone who took coverage (COBRA, retirees, PT)

5 Check Your Filing Deadlines

- ☐ January 31 (California): Furnished 1095-B & 1095-C forms to CA residents
California state deadline — earlier than federal; applies to self-insured plans
- ☐ March 1: Distributed Form 1095 to employees (permanently extended deadline)
- ☐ March 31: Completed IRS electronic filing (recommended)

6 Managing IRS Filing Statuses

Accepted	Requirement satisfied — no further action needed.
Accepted with Errors	Discrepancies found (e.g., SSN/Name mismatches). Correct these records ASAP.
Rejected	Data was not accepted. Correct and resubmit within 60 days of the notice.

- ☐ Monitored IRS acknowledgment status after filing
- ☐ Corrected any Accepted-with-Errors or Rejected filings promptly

7 Handling IRS Penalty Notices

The IRS issues penalty letters for non-filing (**Letter 5699**), late filing (**Letter 972CG**), or failing to offer affordable/minimum value coverage (**Letter 226-J**).

- ☐ Responded within 30 days of the letter's issue date
- ☐ Reviewed the specific issues cited (incorrect boxes, missing offers, affordability)
- ☐ Prepared and submitted Form 14765 if disputing a Letter 226-J