



ACA Administration: Ask the Right Questions



There is no shortage of options when it comes to ACA administration services. Your payroll company or HRIS vendor may offer to do it for free. Or maybe you're inclined to buy a software package that enables you to "do it yourself."

But how do you know if you're making the right choice? How can you be certain that the option you choose will help your organization avoid ACA penalties?

Each ACA administration option has its advantages and drawbacks, so when determining which option is right for you, it's imperative that you ask the right questions.

Before you make a choice that might put you in a bind later (and cost you more money and time!), make sure you have the answers to these critical questions.

What Are You Actually Getting?

Are you buying a service or software? It's easy to get the two confused because software vendors make it seem like you're getting far more service than you actually do.

You need to make sure you know exactly what you're getting. If you're purchasing services from a vendor, are you getting everything you need, or is it only a partial service?

If you're buying software, who teaches you how to use it properly? Does the vendor guide you through the setup process to make sure it's done correctly? If not, does the software have adequate "guide rails" to prevent you from making mistakes?

If the vendor doesn't guide you through the setup process, can you do it yourself? Do you know all of the ACA rules and nuances to make sure you don't make any mistakes? How much time and effort will it take you to get set up and then manage ACA each year?

Do you get a designated account manager you can call when you have questions or need help? If not, how do you get help?

Managing ACA can be tricky and time-consuming. If your vendor doesn't give you direct access to an account manager who is an ACA expert, how will you resolve issues? Are you left to ask questions in forums and rely on answers from other users? Do you have the necessary expertise and are you prepared to act as the "ACA authority" for your organization?



Codes and Forms

Does the service or software generate 1095-C codes? If so, does the vendor review the codes for accuracy and appropriateness?

Some vendors don't review codes, which means you're on the hook for ensuring the codes are correct. Are you able to spot incorrect or nonsensical codes?

Generating codes and preparing forms is only half the battle. Those forms have to be printed and mailed to the recipients. Does the vendor do this for you, or do they burden you with this task?

Are you prepared to print and mail forms? If not, you'll have to find a vendor to handle this for you.

Does the vendor generate forms for people who are inactive but covered (like COBRA participants and retirees, among others)?

Many vendors don't, and that's a huge problem. If your vendor doesn't generate these forms, then these people don't get their forms, and your filings with the IRS are incomplete.

Does the vendor generate the 1094-C form that has to be filed with the IRS along with the 1095-C forms? Do they file forms with the IRS at all?

Failure to generate and file all of the necessary forms with the IRS leaves you open to huge financial risk.

Compliance

Will you receive guidance to make sure you stay compliant? Will the vendor let you know when laws change and make sure you understand the changes?

If not, how will you get this information? Do you have a compliance team or legal resource that can help?

Does the software or service help you meet state filing requirements like those introduced in CA, DC, MA, NJ, RI, or others as more states implement similar mandates?

If you have employees in these states and your vendor doesn't offer these services, how will you meet your requirements? And how will you know when other states pass similar laws?

Tracking. Measuring. Reporting. ACA compliance is a lot of work.

Now that you've considered these questions, are you ready for a trusted partner to take this complicated task off your plate?

We are a full-service provider. We handle every aspect of ACA administration so you don't have to—protecting you from costly fines and penalties, and saving you valuable time, energy, and resources.

Request a Proposal

To request a proposal or more information, email HBSales@wexinc.com.