

1095C – Frequently Asked Questions

Affordable Care Act Reporting



Please use this as a guide for answers to commonly asked questions regarding the 1095C report.

**If you have additional questions please contact your HR Business Partner.*

How is the Monthly Hours Worked column calculated?

- Monthly hours calculations are derived from the hours worked per pay period for hourly employees or a standard of 40 hours per week for full-time salaried employees. Based on the period end date of each payroll processed by ADP Resource, an average of hours per day is calculated. This average hours value is then applied to each day of the pay period and then rolled up to a monthly value for each month of the calendar year selected.
- Part-time salary employees are assumed to work an average of 40 hours per week when regular hours are not included in the payroll.
 - Based on pay frequency, hours are spread across a set number of days based on the period end date.
Weekly = 7 days
Biweekly = 14 days
Semi-monthly = 15 days
Monthly = 30 days

How do I determine if ACA Determination is Part Time or Full Time for an employee?

- If monthly hours worked is less than 130 hours – ACA Determination is part time.
- If monthly hours worked is 130 or greater – ACA Determination is full time.

MY ACA Exclusion column is blank, why is that?

- This field will display the word **Seasonal** if you have a seasonal employee. Otherwise, it will be blank if you have no seasonal employees.

How is Monthly Wage Based on Rate of Pay calculated?

- Monthly Wage is based on the employee's actual monthly wage as defined on the employee's job record. This is the monthly rate of the first day of the reported month. The calculation for month wage takes into account the rate of pay and the pay frequency.
- Monthly Wage is not calculated for Daily Employees, Commission Only, or Non-Paid Owners.

What is the Rate of Pay Safe Harbor Calculation (9.5%)?

- The employee's monthly wage is multiplied by 9.5% to determine their rate of pay Safe Harbor amount. This is the ACA defined percentage to calculate affordability.

What is the Remarks Column?

- This column gives additional information on the employee if they are a Non-Paid Owner, Commission Only, Daily, or Unclassified employee where the Rate of Pay is \$0.

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What are the Lines 14-16 Columns for?

- These are free form fields for you to fill in. **These will not be included on the exported PDF.**

If I update the 1095C Excel Spreadsheet, will those changes be included in the PDF export?

- No. Changes made to the excel spreadsheet will not be included in the PDFs.

An employee was hired on May 10th, but I don't see them listed for the month of May. Why is that?

- An employee will be listed for the first month where there is a full month of service for that employee. This is based upon the days in the pay period. In the example above, the employee was paid for 5/10-5/30. They will be included in the count in June which would be the first full month of service.

I would like the option of running the report by FEIN or by paygroup. Is that possible?

- No, however you can run the report then filter by FEIN or paygroup as needed. Both fields are available on Part II of the 1095C report. You Receive ONE report based on the Control Group information defined.

A terminated paygroup is showing in the report. What do I do?

- If the terminated paygroup was active for any portion of the reported year, they should be included in the report.

I see an unrelated code in the report. This code was never a part of the control group. What do I do?

- Contact your HRBP.

I had 50 Full Time Employees, including Full Time Equivalents, in 2014, but I only employ 45 Full Time Employees, including Full Time Equivalents, in 2015. Do I still have to file in 2016?

Yes. If you employed an average of 50 or more full time employees, including full time equivalents, in 2014, you will have to file in 2016 for the 2015 reporting year as you were subject to the employer shared responsibility provisions for 2015. If you employed less than 100 full-time employees, including full-time equivalents, in 2014 you may be exempt from any potential penalties in 2015 for failing to provide coverage that meets certain affordability and minimum value thresholds to any full-time employee, provided you meet certain requirements that are outlined in the IRS Instructions for Forms 1094-C and 1095-C.