

2023 ACA COMPLIANCE CHECKLIST

As a broker, it often becomes your responsibility to verify that your customers are in compliance with legislation. To that end, we have created the following checklist as a summary of the general tasks associated with ACA compliance. Not all items will apply to every group, but a thorough understanding on your part will help you guide your clients correctly.

Budget Considerations:

- ☐ Explain Large Employer Mandate which applies to employers with 50 or more FT + FTE employees.
- ☐ Use our [Group Size Calculator](#) to determine whether employer had average of 50+ FT plus FTE employees in prior year. If they did, this employer is an ALE subject to Employer Mandate the following year.
- ☐ Use our [Affordability Calculator](#) to determine whether your clients' coverage meets one of the ACA Affordability Safe Harbors in order to prevent a penalty (Note: Affordability percentage is 9.12% for 2023).
- ☐ If any clients just reached the 50+ FT plus FTE threshold for the first time, check eligibility for transition relief from employer penalty Jan - Mar if MEC with MV offered April 1. (one-time relief)
- ☐ Ask clients about commonly-owned companies for accurate employer size determination
- ☐ Certify whether your clients' group coverage meets the ACA minimum value requirement in order to prevent a penalty
- ☐ Discuss impact of any upcoming minimum wage increases on affordability of coverage calculations and overall company budget
- ☐ For employers on Small Group plan, collect accurate DOBs for dependents under age 21 due to child rating structure.

Health Plan Administration:

- ☐ Verify waiting periods do not exceed the 90-day limitation
- ☐ If clients have orientation period prior to waiting period verify it is no longer than one month
- ☐ Explain to 50+ FTE clients with variable hour employees who may or may not work FT how to set up their lookback measurement, administrative and stability periods
- ☐ Check Health FSA documents to make sure they reflect the \$3,050 limit and specify either FSA grace period or \$610 carryover provision for 2023. Note: Employers may allow participants to carryover the full amount leftover in their 2022 Health FSA balance into 2023. Check with your plan administrator and plan documents for more details.
- ☐ Verify all employers are applying 30-hour FT definition to determine eligibility for coverage
- ☐ Explain to clients the IRS employer reporting requirements (Form 1094-C & 1095-C)

Documents for Employees:

- ☐ Deliver DOL-Mandated Notice (New Health Marketplace Coverage Options and Your Health Coverage) within 14-days of hire
- ☐ Deliver Summary of Benefits and Coverage (SBC) and Uniform Glossary at enrollment, renewal and to new hires
- ☐ Deliver 60-day notices of modification, if plan changes are made outside of renewal
- ☐ If client issued 250+ W-2s previous tax year: report cost of health coverage on W-2s for current tax year
- ☐ By 1/31/2024 give copy to employees of their Form 1095-C so they can review information before it will be submitted to the IRS

If you do not understand a concept on this checklist or need assistance assuring your group has accomplished a particular goal, please contact your Word & Brown Sales Representative who can provide further support.