

PROPOSAL PREPARED FOR

---

ACA Employer Reporting

Date

---



---

Prepared by

## WHY TASC

### It started with a desire to help a friend.

Total Administrative Services Corporation (TASC) was founded on a simple belief: regular people should be able to receive the same tax advantages as large corporations.

In the process, we brought simplicity to one of the most complicated systems in the world: the US tax code. The solution worked so well, we continued to invent products that transformed the lives of farmers and other entrepreneurs, their families, and their communities. And we're still in the life-changing business for employers of all sizes, in all markets, today.

After more than 45 years in the benefit administration industry, our conviction is stronger than ever. We've discovered a new way to remove complexity, a new way to help Americans pay less tax and invest more in their health and prosperity.

We are committed to understanding our clients' needs and ambitions and will configure a solution, whether they have one employee or one million. Because when Americans have more money to spend, when they invest in their health, when they have the tools to support their families, when they give back to their communities, when they save and grow, **we all benefit.**



3 in 5

employers say  
managing benefits  
is increasingly  
complex <sup>1</sup>

---

### TASC at a glance:

- » **72,000 clients** across the United States
- » **\$2.7 billion** in funds handled each year
- » **\$30 billion** saved in taxes by TASC clients and participants
- » **\$1.6 million** donated to charity by TASC and its employees in last year
- » **94% of clients** feel their customer service representative handled their call with courtesy and professionalism

<sup>1</sup> Guardian Workplace Benefits Study – 5<sup>th</sup> Annual; May 2018

## TASC ACA EMPLOYER REPORTING OVERVIEW

Starting in 2015 **Applicable Large Employers (ALEs)** must comply with the requirements under the Employer Shared Responsibility Mandate. In order to avoid penalties under “Pay or Play” ALEs must offer affordable and minimum value health coverage to full-time employees and their dependents. An employer is an ALE during any calendar year in which they employed an average of at least 50 full-time employees on business days during the preceding calendar year

### ADMINISTRATION SERVICES

TASC's **ACA Employer Reporting service offering** provides tools to assist in determining if your company is an ALE, and whether your health coverage is (a) “affordable” and (b) “of minimum value” per current regulations.

The following items are included as part of your ACA Employer Reporting compliance administration:

- ✓ Client Administration Manual
- ✓ ALE Determination Worksheet
- ✓ Provides a portal with tools and access to resources for employers to upload information for year-end reports
- ✓ Access to a Compliance Specialist throughout the entire reporting process to ensure compliance and optimal benefits.
- ✓ Year-End Reporting
  - Comprehensive data validation in the portal
  - Real-time access to training resources, drafts of ACA Reporting forms
  - Easy access to service
  - Visibility into the file status
  - Downloadable forms for employer distribution
  - Automation of coding based on employee classification entered by the employer
  - Provides employee forms to the authorized contact’s email address per the individual mandate reporting responsibility (employer can download employee 1095 Statements via portal for manual dissemination)
- ✓ Completion of required IRS Forms and assistance with timely filing and distribution
- ✓ ACA IRS Penalty Guidance
- ✓ Hold Harmless

## AGGREGATED ALE GROUPS (Controlled Groups)

### Overview

When a business is considered an **Aggregated ALE** as defined by the IRS, the business is treated as a *single employer* under the ACA employer mandate. If during any month of the calendar year your business is considered an Aggregated ALE, you must complete all employer mandate requirements in addition to a few additional considerations (outlined under *Separate Treatment* below).

TASC can assist all ALE entities within an Aggregated ALE complete and file their ACA employer mandate returns.

### Aggregated ALE Group Status

To determine your Aggregated ALE Group status requires a review of all corporate papers for each commonly-owned business entity to determine ownership (not all types of ownership are considered). TASC is not able to advise a Client on their Aggregated ALE Group status, as the required review and determination process is not within the scope of our services. We will rely on each Client to determine and communicate their Aggregated ALE Group status to TASC.

### ALE Determination for Aggregated ALE Groups

If your business is considered an Aggregated ALE Group, your next step is to determine if the Aggregated ALE Group is an ALE. Employees of each business entity within the Aggregated ALE Group are added together to determine Aggregated ALE E status. TASC will provide you with a worksheet and instructions to assist you in your ALE Determination as part of our service offering.

### Separate Treatment for Entities

Each business entity of an Aggregated ALE Group is treated separately as follows:

- **Separate Penalties**  
Under the proposed and final regulations, each ALE business entity of an Aggregated ALE Group is liable for its Section 4980H assessable payment and is not liable for the Section 4980H assessable payment of any other entity in the Aggregated ALE Group.
- **Separate ACA Reporting**  
Each ALE business entity of an Aggregated ALE Group must file a separate Authoritative Transmittal using 1094-C and must list all other business entities of the Aggregated ALE Group on the 1094-C transmittal. Each entity of an Aggregated ALE Group must also distribute the 1095-Cs to their employees.

**For TASC ACA Employer Reporting, an Aggregated ALE Group and all the business entities within are billed separately and will require a separate Plan Application for each.**

## DESIGNATED GOVERNMENT ENTITY GROUP (DGE)

A DGE is a person or persons that are part of or related to the Governmental Unit that is the ALE Member and that is appropriately designated for purposes of these reporting requirements. For a Governmental Unit that has delegated some or all of its reporting responsibilities to a DGE for some or all of its employees, one Authoritative Transmittal must still be filed for that Governmental Unit reporting aggregate employer-level data for all employees of the Governmental Unit (including those for whom the Governmental Unit has delegated its reporting responsibilities).

## TASC ACA IRS PENALTY GUIDANCE

For employers who receive an Employer Shared Responsibility Payment (ESRP) letter from the IRS based on a filing done by TASC.

- TASC ACA Employer Reporting will provide guidance to employers that receive a penalty letter from the IRS for the Employer Shared Responsibility Mandate.
- Penalties can be imposed for employers with 50+ FT/FTEs in which one of the following applies:
  - Coverage fails to meet MEC (Minimum Essential Coverage) to FT/FTEs (the “A” penalty);  
or
  - Coverage is not deemed affordable and does not meet minimum Value (the “B” penalty)

## TASC ACA EMPLOYER REPORTING PRICING

<b>Total Employee Count:</b>	
<b>Service Start Date:</b>	
<b>Aggregated ALE Group (yes or no):</b>	
<b>Government DGE (yes or no):</b>	
<b>If Yes, name all business entities included:</b>	

ACA Employer Reporting (full service)	
Select plan type(s) below for each reporting year:	
<input checked="" type="checkbox"/> <b>Single ALE or DGE - Reporting Only Plan</b>	
<input type="checkbox"/> <b>Aggregated ALE Group - Reporting Only Plan</b>	
<input type="checkbox"/> <b>Non-ALE - Reporting Only Plan</b>	
<b>Set-Up Fee (one-time fee)</b>	\$
Applies to single Aggregated ALE Group or DGE.	
<b>Administration Fee (PEPM)</b>	\$
<b>Renewal Fee</b>	\$
Applies to second year and ongoing; Billed automatically per year.	

### TERMS

TASC Purchaser Details-Applications (PDs) must be submitted with full payment of fees due. For TASC ACA Employer Reporting, an Aggregated ALE Group and all the business entities within are billed separately and will require a separate PD for each.

**ACA Employer Reporting** will continue for a two-year initial term, thereafter renewing automatically for one year terms. If services are terminated under this Agreement for reasons other than a TASC uncured default or TASC material non-performance, the Employer will be responsible for providing any outstanding services required under the Plan and payment of the ACA Reporting fees until the end of the calendar year in which the termination occurred. In case of terminations, there are no refunds of the set-up fee, and no refunds of any fees applied to the service for the calendar year in which the services are terminated.

*Any and all information in this TASC proposal is confidential and can be used for the sole purpose of placing a client with TASC. Any disclosure of this information to any other third party is a breach of the TASC Provider Agreement(s) and will cause losses to TASC. TASC will immediately terminate any agreement with any person who discloses the information to an unauthorized third person and seek immediate reimbursement for any loss attributable to the disclosure.*