



# CIVIL SERVICE COMMISSION

## HUMAN RESOURCES DEPARTMENT

---

### MEMORANDUM

**TO:** Human Resources Committee

**FROM:** Karen A. Buche, Human Resources Director

**DATE:** 5/15/17

**SUBJECT:** 2016 Affordable Care Act (ACA) Reporting Update

The IRS changed the reporting schema from 2015 to 2016. With this change, there were additional requirements placed on Oracle to provide necessary service to Douglas County.

Douglas County is required to report to the IRS ACA information for both County employees as well as the Omaha-Douglas Public Building Commission's employees. Because Douglas County has more than 250 employees, we're required to report the ACA information electronically to the IRS through the use of 1095C and a 1094C xml files.

Due to the changes, in the schema and the burdens placed on software providers, such as Oracle, the IRS extended the electronic filing date from 1/31/17 to 3/31/17. We submitted the file transmission for the County and ODPBC on 3/28/17. The transmission was rejected, as were 4 other attempts, for various reasons. Once submitted, the IRS allows entities 60 days from the date of the original transmission to complete a successful file transfer of data.

As of today, we transmitted a new file which was finally accepted; however, it was accepted with errors (specifically 40 errors). HR and DOT.Comm have until 5/28/17 to attempt to resolve these errors.

Additionally, through this process, it was discovered that there was another 6 employees (7 individuals including a dependent) that were under a different organization within the Oracle system. For some reason, these individuals were overlooked in the generation of the 1095C forms even though they are receiving retiree benefits. These individuals should have been included in the original transmission.

The IRS will not permit the file to be amended after the deadline to add these individuals to the original file transmission. Oracle has advised us that we need to file these individuals documents to the IRS via paper. These individuals should have received their ACA forms by 1/31/17. However, they did not receive them until a few weeks ago. Oracle advised us on Friday that the data for these individuals must be submitted to the

IRS not on the 1095C form (of which they received copies), but on a 1095B form. So, we are preparing new forms along with the 1094B transmittal form. All of which will be sent to the IRS.

Additionally, HR discovered recently another individual in a separate organization which also should have been included in the original transmission. This individual works for the Land Utilization Bank and also has retiree insurance coverage. So, we will be reporting this individual manually along with the other 6 employees.

The County should not incur any penalties due to these delays. The only way would be if an individual went to the market exchange because we did not offer them coverage. Each month an ACA Committee reviews a report produced by Oracle and monitors the hours worked by employees to ensure they receive coverage offers. As long as a bonafide offer of coverage (for an active employee and/or eligible dependents this means it is affordable and provides minimum essential coverage or for a retiree and/or dependents that provides minimum essential coverage), there is no risk of penalties.

We will continue our efforts to have a completely successful transmission to the IRS before 5/28/17 and will have the manual filings completed by the end of this week.