

# A Strategic Look



December 4, 2018  
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## Upcoming Trainings

December 13: ACA Reporting  
December 27: New User Interface

For Access to previously recorded trainings, [click here](#).

## Axiom Updates

- Missed a recent training? Check out our [YouTube channel](#) to catch up!
- We know you love our newsletter updates, we think you'll love our social media even more! Stay in the know by following us on [Twitter](#)!
- The new user interface desktop experience has been launched! We will be diving into the new UI later this month.

## KNOW THE DIFFERENCE

With Open Enrollments in full swing, we've been receiving a lot of questions regarding the different types of accounts employers can setup for employees regarding healthcare expenses. There are three types: Health Savings Accounts (H.S.A.), Health Reimbursement Accounts (H.R.A.) and Flexible Spending Accounts (F.S.A.). An H.S.A. requires a deposit of funds which are then available for spending. An H.R.A. is an arrangement employers have with employees to reimburse them for all or part of their medical expenses. An F.S.A. is similar to an H.S.A., but a balance is front-loaded on to the spending card and then paid back through payroll deductions. More information on the differences of accounts are below.

	Health Savings Account (HSA)	Health Reimbursement Arrangement (HRA)	Flexible Spending Account (FSA)
Account Setup	Accounts can be setup by individuals or by the employer	Employer will need to setup the account on behalf of the employee	Employer will need to setup the account on behalf of the employee
Expenses Covered	Medical, dental, vision, prescription and some over-the-counter expenses. COBRA, retiree medical insurance premiums, LTC premiums or expense – Reference: <a href="#">IRC § 213(d)</a>	Medical, dental, vision, prescription and some over-the-counter expenses. Post-tax insurance premiums. – Reference: <a href="#">IRC § 213(d)</a>	Medical, dental, vision, prescription and some over-the-counter expenses – Reference: <a href="#">IRC § 213(d)</a>
Plan Requirements	High Deductible Health Plan	Integration with a group medical plan meeting ACA requirements	None
Annual Contribution Limits	Individual: \$3,500 Family: \$7,000	None	\$2,700 per person
Portability	Fully Portable– this benefit can be taken with the employee upon separation from your company. Any employer contributions are non-refundable	Employer's discretion	None
Rollover	All funds will continue to rollover year after year	Employer's discretion	Up to \$500 rollover allowed at employer's discretion
Employer Contributions	Employers can make contributions on current employee's behalf	Employers can make contributions on current or former employee's behalf	Employers can make contributions on current employee's behalf
Usage	Debit Card	Debit Card	Debit Card

## Time to prepare for ACA Reporting

With Kelly Mead

The IRS has published the final forms and instructions in order to help employers with annual Affordable Care Act reporting. Reports filed in 2019 will be for coverage that was offered to employees in 2018. Based on what we've read, there are no major changes to the forms from previous years which is helpful to those who are becoming familiar with the forms. Below are links to the IRS forms and instructions.

[Instructions for Forms 1094-C and 1095-C](#)

[1094-C](#)

[1095-C](#)

[Instructions for Forms 1094-B and 1095-B](#)

[1094-B](#)

[1095-B](#)

In order to avoid penalties, Axiom recommends carefully reviewing and sorting through data now. It's important to have enough time, prior to year-end in order to ensure deadlines are met and reports contain the correct information. The 2019 filing deadlines for 2018 coverage are as follows:

1095 forms delivered to employees	March 4th
Paper filing with IRS	February 28 <sup>th</sup>
Electronic filing with IRS	April 1 <sup>st</sup>

To prepare for ACA reporting, the IRS suggests that companies that have on average, 50 or more full-time employees or part-time equivalents, also known as Applicable Large Employers (ALEs), do the following:

- ✓ Identify all full-time employees based on the ACA definition,
- ✓ Review the monthly measurement method or look-back measurement method to determine full-time status is the best method for your company,
- ✓ Update all plan documents and summary plan descriptions if necessary,
- ✓ Determine the appropriate safe harbor the company will use for the affordability calculation (W-2, rate of pay or federal poverty line).

Self-insured employers with fewer than 50 employees are also required to report health coverage information. For more information on ACA reporting, visit the [IRS Affordable Care Act Tax Provisions website](#).

Do you need assistance with your ACA reporting? Contact [hr@axiomhrs.com](mailto:hr@axiomhrs.com) before December 14, 2018 to schedule a consultation.