

NAVIGATING THE AFFORDABLE CARE ACT WITH PAYCOM

Employers across America are facing the uncharted waters of complying with the Affordable Care Act (ACA). For many it is a murky mix of looming requirements and deadlines that impact your health benefits, administrative processes, reporting responsibilities, employee staffing and bottom line. While Paycom cannot change your compliance obligations, our human capital management technology was designed to help ease your compliance burden. With one application for your employee data and all your FEINs, you are a step ahead of the tracking and reporting requirements of this health care reform legislation.

ACA Signed Into Law on March 23, 2010

THE VOYAGE BEGINS

EARLY COMPLIANCE REQUIREMENTS

26 Continued Health Care Coverage for Qualified Dependents Up to Age 26

Paycom Advantage: Report on covered dependents with birth date information to manage the age requirements.

Provide Insureds with a Uniform Summary of Benefits and Coverage (SBC) Prior to Enrollment

Paycom Advantage: Set up insurance plans with SBCs that employees can access during enrollment or anytime through their self-service portal. You can even require employees to acknowledge receipt of the document and track and report on those who do not.

2013 ELEMENTS

0.9% Increase of Medicare Tax Withholdings for High Income Wage Earners

Paycom Advantage: Paycom automatically withholds employee wages in compliance with the law.

New Flexible Spending Account (FSA) Annual Limits

Paycom Advantage: When setting up the FSA plan in the Paycom system, you are able to set the annual limit of \$2,500.

Report the Total Cost of Group Health Coverage in Box 12 DD of Form W-2 (if you have 250 or more W-2s in the previous year)

Paycom Advantage: Obtain the total amount of coverage paid for the year from your insurance carrier and enter it or import it in the system for printing on Form W-2. You can also track the information in the system and have it automatically flow over to Form W-2.

New Guidance Has Delayed the Effective Date for Required Employer Exchange Notifications to Employees

Paycom Advantage: Paycom continues to monitor all legislative changes and will issue additional compliance communications as needed.

ON THE HORIZON IN 2014

50+ Employers with 50 or more Full-Time Employees in 2013 (or 50 Full-Time Equivalent Employees as defined by the ACA) Qualify as Large Employers for 2014 and will be Required to Provide Minimum Essential Insurance Coverage to Employees or Face Possible Penalties

Paycom Advantage: According to the ACA, employees who work 130 hours in a calendar month or average 30 or more hours a week are considered full time. Paycom helps you determine which of your employees are considered full time or full-time equivalents as defined by the ACA. Paycom also helps you monitor employees approaching 30 hours in a pay period and track seasonal employees.

Employee Eligibility (and Employer Penalties) for Health Care Exchanges if Group Coverage is Considered Unaffordable or Not Meeting the Minimum Coverage Requirements

Paycom Advantage: In Paycom's system, employers can calculate the maximum amount employees will pay for employee-only coverage to determine if it will be greater than 9.5% of the wages indicated in Box 1 of Form W-2. W-2s can also verify if the employee is between 100% and 400% of the federal poverty level. If it is determined coverage is not affordable, employees are eligible for Health Care Exchanges and employers subject to penalties.

90 DAYS Employers with 50 or more Full-Time Employees Must Have Employees Enroll or Decline Their Health Benefits Within 90 Days

Paycom Advantage: Set coverage selection eligibility to a maximum of 90 days after hire date. Employees can elect or decline benefits online through their self-service portal. The administrator can batch enroll all eligible employees.

Employers with 200 or more Full-Time Employees will be Required to Automatically Enroll New Employees into the Employer Group Health Plan Based on Eligibility Date

200+ **Paycom Advantage:** Paycom's system allows the administrator to auto-enroll all eligible employees.

INTO THE FUTURE

Employers will Continue to Face Detailed Tracking and Reporting Requirements on Hours Worked, Employee Enrollment, Coverage and Health Care Costs

Paycom Advantage: With Paycom's single application for Payroll, Time and Attendance, Benefits Administration and overall Human Capital Management, tracking and reporting is what we do best. We operate from a single database that requires no integration and provides comprehensive and consistently accurate information every time. Paycom's technology remains on the cutting-edge of functionality and compliance and the personal expertise from dedicated specialists smooths the turbulent waters of legislative change for our clients. You can count on us to keep you informed.



Paycom, a leading provider in workforce technology, provides an end-to-end single application solution for HR. Its cloud-based platform offers convenience and cost effectiveness, along with the peace of mind that comes from knowing your records are safe and in compliance with the employment laws governing your business. Reduce your exposure today with Paycom. www.PaycomOnline.com

© 2013, Paycom. All rights reserved. INTELLECTUAL PROPERTY DISCLAIMER: THIS INFOGRAPHIC IS FOR INFORMATIONAL PURPOSES ONLY AND IS PROVIDED "AS IS" WITH NO WARRANTIES WHATSOEVER INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, OR ANY WARRANTY OTHERWISE ARISING OUT OF ANY PROPOSAL, SPECIFICATION, OR SAMPLE. NO LICENSE, EXPRESS OR IMPLIED, TO ANY INTELLECTUAL PROPERTY RIGHTS IS GRANTED OR INTENDED HEREBY. This infographic is protected by copyright law. Individuals may reproduce and distribute this infographic for individual, non-commercial use. DISCLAIMER: The content of this infographic is intended to keep interested parties informed of legal and industry developments for educational purposes only. It is not intended as legal opinion or tax advice and should not be regarded as a substitute for legal or tax advice. Product or company names mentioned herein may be the trademarks of their respective owners.

