State of Maryland – Department of Budget and Management (DBM)
Employee Benefits Division (EBD) – 2016 Satellite Agency ACA Reporting FAQ's (*v2-Last Updated 6/21/16*)

QUESTION	RESPONSE
What are the Federal reporting deadlines for 2016?	The 1095 forms are required for your employees to prepare and file their Federal Individual Tax Returns. As such, the 1095 forms must be post-marked by January 31, 2017 so employees receive them with their other year-end tax forms. DBM EBD uses a 3rd party vendor to print and distribute the 1095 forms to the employees. In order for the vendor to have time to print and distribute the forms to employees, DBM EBD must provide the print files to the 3rd party vendor by January 4th 2017.
What will each Satellite agency need to do this year?	Your Satellite agency will be required to provide in an Excel template employee information such as, Name, Address, SSN, Hire Date, Termination Date in addition to 4 data elements per month (Employee Status, Employee Type, Actual Hours, Was the Employee Offered Health Coverage?) for January 2016 through November 2016.
What about December 2016 data?	In order to meet Federal reporting deadlines, the 1095 forms must be post-marked by January 31st 2017. DBM EBD must provide print files to the 3rd party print vendor by January 4th 2017. In order to meet this deadline, we will replicate your November 2016 works hours, employee status and Offer of Coverage values for December 2016 unless you notify us of a significant change in these data elements. <u>NOTE:</u> You will need to provide us with December 2016 new hires, as soon as they occur along with December work hours.
What is the difference between *hours based on the day worked* vs. *hours based on when paid*?	In 2015, many Satellite agencies, along with DBM EBD, were not in a position to identify employee work hours for each day in a calendar month. And, instead could only identify hours worked for a specific pay period end date or check date; in these scenarios, in many cases, the days in the pay period crossed months and we attributed all of the hours in the pay period to the month where the check date fell instead of where they were actually worked.

<table>
<tr><th>QUESTION</th><th>RESPONSE</th></tr>
<tr><td></td><td>For 2016, we will need to identify the employee work hours based on the days the employee actually worked.

Example:
Assume a 2 week pay period where the first 40-hour week falls in January and the second 40-hour week falls in February.
Last year, in many cases we counted the employees' 80 pay period hours towards the month of February, because we based it on the check date.
For 2016 reporting, you will count 40 hours towards January and 40 hours towards February.</td></tr>
<tr><td>What data will my agency need to provide?</td><td>We have prepared an Excel file template specific for your agency that will collect the following data elements for each month from January 2016 through December 2016:

<table><tr><th>Data Element:</th><th>Valid Values:</th></tr><tr><td>Employee Status</td><td>ACTIVE
Use this value if the employee was Active for at least one day of the month; even if the Actual Work Hours = 0
TERMINATED
Use this value if the employee was Terminated for the entire month. If the employee was terminated during the month, report them as ACTIVE for the month of Termination, and report them as TERMINATED for each month thereafter.
ON LEAVE OF ABSENCE
Use this value if the employee was on a Leave of Absence for the entire month.</td></tr></table></td></tr>
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QUESTION	RESPONSE	
	Employee Type	**REGULAR** **CONTRACTUAL** **TEMPORARY** **SEASONAL** **1099 WORKER** **BOARD MEMBER** **COMMISSIONER**
	Actual Hours	**If Employee Status is either ACTIVE or LEAVE OF ABSENCE**, you must enter either zero (0) or a number greater than 0 in the Actual Hours field. **If the Employee Status is TERMINATED**, the Actual Hours field should be blank. **For salaried full-time employees** that always work and are paid for 130 hours or more in the calendar month, you do not need to enter exact work hours, you may enter 130. **For daily or hourly employees**, you need to capture exact hours worked.
	Was the Employee Offered Health Coverage?	**OFFERED SUBSIDIZED COVERAGE** **OFFERED NON-SUBSIDIZED COVERAGE** **IN WAITING PERIOD** **NO COVERAGE OFFERED**

QUESTION	RESPONSE
What employees do I need to track/provide in the file?	In the Excel file you need to track and record ALL employees that performed work and were paid to work for you between October 15, 2015 and December 31, 2016. In the Excel template prepared for your agency, we have pre-populated the employees (along with the Street Address, Hire Date, Termination Date, and SSN) who were ACTIVE in your agency as of October 15, 2015. This will hopefully make getting started for this year easier.
How will my agency provide the data to DBM EBD?	You will provide all data in the Excel template we provide to you. It is important that the structure of the Excel file, meaning all the columns, column order and column formatting and values MUST REMAIN EXACTLY as we give them to you. If you change the file structure, we cannot load your data via our programs. We will send the files back to you to get into the template format.
Will the Excel worksheet be password protected like last year?	Yes, since the file contains SSN and other private information, this file will be password protected. For this year, we have left the password identical to last year **%2015$Leaves.** ***Note***: We are intentionally leaving the file password identical to last year; it does contain 2015, and was NOT changed to 2016.

<table>
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<tr><td>What will be the timeline for providing data to DBM EBD?</td><td>To alleviate your workload and our workload, we have developed a schedule for tracking and returning data to EBD. Each month you will email in the worksheet with your cumulative year-to-date information. The schedule will be:

<table>
<tr><th>TASK</th><th>BY/DUE DATE</th></tr>
<tr><td>Receive Excel Tracking Template from EBD</td><td>Will be emailed to you after you respond with the name of your primary contacts</td></tr>
<tr><td>Compile January – May 2016 Data</td><td>Email to Lisa by COB on Monday July 11th</td></tr>
<tr><td>Compile June 2016 data</td><td>Email to Lisa by COB on Friday July 22nd</td></tr>
<tr><td>Compile July 2016 Data</td><td>Email to Lisa by COB on Friday August 5th</td></tr>
<tr><td>Compile August 2016 Data</td><td>Email to Lisa by COB on Friday September 9th</td></tr>
<tr><td>Compile September 2016 Data</td><td>Email to Lisa by COB on Friday October 7th</td></tr>
<tr><td>Compile October 2016 Data</td><td>Email to Lisa by COB on Friday November 4th *</td></tr>
<tr><td>Compile November 2016 Data</td><td>Email to Lisa by COB on Friday December 9th</td></tr>
</table></td></tr>
<tr><td>What are the responsibilities of my Agency for ACA?</td><td>Here is a list ACA duties along with whether DBM EBD or your Agency is responsible for completing the duty.

<table>
<tr><th>DUTY</th><th>WHO IS RESPONSBILE?</th></tr>
<tr><td>Submit agency primary contact information to EBD</td><td>Your Agency</td></tr>
<tr><td>Track employee data by month</td><td>Your Agency</td></tr>
<tr><td>Manage your agencies compliance to ACA regulations and deadlines</td><td>Your Agency</td></tr>
<tr><td>Submit employee data monthly to EBD</td><td>Your Agency</td></tr>
<tr><td>Submit health coverage subsidy rules to EBD</td><td>Your Agency</td></tr>
<tr><td>Submit agency EIN information or changes in EIN information to EBD</td><td>Your Agency</td></tr>
<tr><td>Generate and Distribute 1095 Forms to Employees</td><td>DBM EBD</td></tr>
<tr><td>Support Employee Questions on 1095 Form(s)</td><td>Your Agency</td></tr>
<tr><td>Submit Required 1095 Form Corrections to EBD</td><td>Your Agency</td></tr>
<tr><td>Generate and Distribute 1095 Form Corrections or Reissuances to Employees</td><td>DBM EBD</td></tr>
<tr><td>Generate 1094 Form and Submit ACA Data to the IRS</td><td>DBM EBD</td></tr>
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<tr><th>QUESTION</th><th>RESPONSE</th></tr>
<tr><td>When do I change the Employee Status to Terminated?</td><td>You will change the Employee Status to Terminated beginning in the month where the employees was terminated for the entire month. If the employee was terminated during the month, report them as ACTIVE for the month of their Termination Date, and report them as TERMINATED for each month thereafter.

Example 1:
An employee has a Termination Date = July 20, 2016 and has Actual Hours for July = 60
The Employee Status in July = ACTIVE
The Employee Status in August = TERMINATED
The Employee Status (along with all other monthly data) is blank for September - December
Example 2:
An employee has a Termination Date = July 20, 2016 and has Actual Hours for July = 0
The Employee Status in July = ACTIVE
The Employee Status in August = TERMINATED
The Employee Status (along with all other monthly data) is blank for September - December</td></tr>
<tr><td>What if an employee terminates and we rehire them?</td><td>If an employee Terminates as some point during the year, and then you re-hire the employee at a later date you will keep the original TERMINATION row of data intact, and add a new row into the Excel file to record the rehire. So, in this instance the employee will have 2 rows in the Excel file.

Example:
An employee terminates on April 16, 2016 and then you subsequently rehire the employee on September 15, 2016.
On the original employee row you will show they TERMINATED ON 4/16/16 by changing their STATUS and entering their TERMINATION DATE. This row will not depict any Actual Hours after the TERMINATION DATE.
When they are rehired, you will add a second row that shows their STATUS as ACTIVE and a HIRE DATE = 09/15/16. This row will depict any Actual Hours after the re-hire.
We will combine the employee data to generate a 1095 form that represents their work for your agency.</td></tr>
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<tr><td></td><td>
<table>
<tr><th colspan="16">2016 ACA Data Collection - 01/01/2016 thru 12/31/2016</th></tr>
<tr><th colspan="3">EMPLOYEE LEGAL NAME</th><th colspan="7">EMPLOYEE ADDRESS</th><th colspan="6">EMPLOYEE MISCELLLANEOUS</th></tr>
<tr><th>Legal Last Name</th><th>MI</th><th>Legal First Name</th><th>Mailing Address 1</th><th>Mailing Address 2</th><th>City</th><th>Country (if not USA)</th><th>State</th><th>Zip</th><th>Agency Code</th><th>Status AS OF 12/31/15</th><th>Status AS OF 12/31/16</th><th>Hire Date</th><th>Termination Date</th><th>SSN</th></tr>
<tr><td>LETTUCE</td><td></td><td>HEDDA</td><td>123 GARDEN PATCH WAY</td><td>APT 1</td><td>BALTIMORE</td><td></td><td>MD</td><td>21201</td><td>9XXXXX</td><td>ACTIVE</td><td>TERMINATED</td><td>02/12/10</td><td>04/16/16</td><td>123456789</td></tr>
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</table>
</td></tr>
<tr><td>What about Measurement Period Reporting?</td><td>The term “Measurement Period” refers to the 12-month period during which an employee is evaluated to determine his/her eligibility for subsidized health coverage according to the ACA definition of full-time. During this time the employee's hours worked must be counted on a monthly basis.

DBM EBD will produce a Measurement Period Report for your agency in the late October/early November timeframe so you know who you need to offer health benefits coverage to in 2017.

A Special Limited Enrollment period will take place in mid-November for the individuals on your agencies Measurement Period Report. Materials will be provided at that time.</td></tr>
<tr><td>What is the State's Measurement Period?</td><td>The State's Measurement Period is October 15, 2015 to October 14, 2016.</td></tr>
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