









VENDOR SELECTION CHECKLIST

HOW TO SELECT THE BEST ACA TECHNOLOGY VENDOR





When it comes to the Affordable Care Act (ACA), HR professionals are on the front lines. With constantly evolving regulations and potentially harsh tax and financial consequences for non-compliance, you need a trusted software and services provider who can help you manage massive volume filings with ease.

As you mobilize your ACA compliance efforts, use the checklist below to help you sort through your options and select the vendor who will best meet your reporting needs. From form creation, eConsent and distribution, to filing with the IRS and all the corrections in between, choosing the right partner is what will keep you confidently compliant in this ever-changing regulatory environment.

What to ask the vendor	Yes or No		Why this is important
 <p>Do you have a tool that will import my data and map it to the appropriate box on each form?</p>	Y <input type="checkbox"/>	N <input type="checkbox"/>	Importing data should be painless for the customer with minimal manual entry. A quality import tool almost eliminates the need for manual entry while also ensuring the accuracy of the data on each form.
 <p>Can you validate and reconcile my data once it's loaded?</p>	Y <input type="checkbox"/>	N <input type="checkbox"/>	In order to verify all your data has made it into the system and onto the forms, it is important to have a fully vetted reconciliation and validation process. This is a best practice for avoiding future corrections or serious compliance mistakes.
 <p>Do you have a user friendly tool for managing eConsent?</p>	Y <input type="checkbox"/>	N <input type="checkbox"/>	According to the IRS regulations, employee's consent to electronically receive other forms, such as a W-2, does not equal an opt-in for electronic delivery of 1095-C. Therefore, you'll need a way to manage and track electronic opt-ins specifically given for 1095-C delivery.
 <p>Do you manage the print and electronic delivery of my forms, and do you assume all related risk?</p>	Y <input type="checkbox"/>	N <input type="checkbox"/>	All Applicable Large Employers (those with more than 50 full-time employees) must provide a 1095-C form to each of its full-time employees by January 31st of the year following the year to which the Form 1095-C relates. It is important that your vendor know the regulations, provide statements in a secure manner, and assume the risk if deliveries are not made on time. <i>We do not assume all the risk with form creation.</i>
 <p>Do you quickly react to changes and one-off print requests?</p>	Y <input type="checkbox"/>	N <input type="checkbox"/>	Your form data is only as good as the data in your system, and the data in your system is only as good as the information you get from your employees and non-employees (those receiving retiree and COBRA coverage). It's essential that you can make changes, and to react quickly and easily to avoid correction penalties.
 <p>Can your system prove and track changes made to my personal data?</p>	Y <input type="checkbox"/>	N <input type="checkbox"/>	As with most systems that work with personal data, it is important to produce an audit trail for any data changes made in your system.
 <p>Have you experienced recent success in implementing last-minute specifications given by the IRS?</p>	Y <input type="checkbox"/>	N <input type="checkbox"/>	Changes in filing regulation or specifications are often communicated by the IRS very late in the year, which leaves a painfully small window for making last minute changes. Your vendor should have the expertise and bandwidth to handle that kind of pressure.
 <p>Do you provide support and service to handle filing errors and rejections?</p>	Y <input type="checkbox"/>	N <input type="checkbox"/>	Errors and rejections need to be handled promptly otherwise filer may be exposed to penalty risks. It is important to track the errors and rejections and file a correction or replacement accordingly

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Essential questions continued...

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 <p>Have you been successfully audited by major accounting firms?</p> <p>By large financial institutions?</p> <p>Is the center where your data stored ISO 27001 and 9001 compliant?</p> <p>Does it successfully pass annual SSAE16 & SOC audits?</p>	<p>Y <input type="checkbox"/></p> <p>Y <input type="checkbox"/></p> <p>Y <input type="checkbox"/></p> <p>Y <input type="checkbox"/></p>	<p>N <input type="checkbox"/></p> <p>N <input type="checkbox"/></p> <p>N <input type="checkbox"/></p> <p>N <input type="checkbox"/></p>	<p>When dealing with personally identifiable information, especially for your employees, it's essential that the appropriate security measures are in place.</p>
 <p>Do you have a dedicated team that ensures your solution is up to date with all regulation changes?</p> <p>Does your company have the financial stability to assume penalties if that information proves incorrect?</p>	<p>Y <input type="checkbox"/></p> <p>Y <input type="checkbox"/></p>	<p>N <input type="checkbox"/></p> <p>N <input type="checkbox"/></p>	<p>You should be confident you have a vendor that is familiar with the space and can get information from a reliable source.</p>
 <p>Do you have experience filing with the IRS in mass volume? Did you file on time for all clients that submitted their data to you?</p>	<p>Y <input type="checkbox"/></p>	<p>N <input type="checkbox"/></p>	<p>You should be confident you have a vendor that is familiar with tax information reporting and are used to applying this expertise on a large scale. Many companies offering an ACA filing solution do not have wider experience with tax information reporting and some have little experience or success in creating and filing 1095 and 1094s. With high stake penalties as the fallout for noncompliance, vendors must show customers a solution that will meet their needs, along with IRS requirements, from start to finish.</p>
 <p>Do you offer personal support, as well as adequate training documents and materials?</p>	<p>Y <input type="checkbox"/></p>	<p>N <input type="checkbox"/></p>	<p>No matter how much you scrutinize potential vendors there are always questions once reporting season begins. You need a solution that offers personal support that is convenient for you.</p>
<p>TOTAL SCORE</p>	<div style="border: 1px solid #ccc; width: 100%; height: 100%;"></div>		<p>How'd they score? We encourage you to call and go through this same checklist process with a ONESOURCE ACA Compliance Management product expert!</p>

CONTACT US TODAY  

1-888-885-0206
tax.thomsonreuters.com/aca