

1. Have they crossed the threshold?

Last year, companies with over 100 ACA-qualifying full-time employees had to offer appropriate health insurance; this year, the threshold for all companies has dropped to 50 employees – so it's even more important that businesses carefully calculate who is a full-time employee.

2. Do you have the right data to make that calculation?

Haslinger noted that businesses will be drawing this information from at least four different systems – payroll, benefits, HR, and time and attendance systems – and that these systems often don't communicate very well.

He and his team are seeing particular difficulties gathering data on unpaid leave, like jury duty and family medical leave, which can mean companies are misclassifying employees.

3. Are they covering enough employees?

Last year, employers that met the threshold had to offer minimum levels of coverage to 70 percent of their employees; this year, that number goes up to 95 percent.

And that's a hard figure – miss offering coverage to even one employee over the 5 percent, and the company can be liable for a fine of \$2,160 for every single employee.

4. Is the coverage affordable?

Health care plans offered must cover a minimum of 60 percent of an employee's health expenses (the Department of Health and Human Services offers a calculator to help make sure), and they must not cost more than 9.66 percent of: the figure in Box 1 of the employee's W-2; their monthly rate of pay; or the federal poverty level. (Last year the figure was 9.56 percent.)

5. Can they prove it?

With reporting rules still being worked out and employees not necessarily understanding when they

do and do not qualify for the Premium Tax Credit, companies may well find themselves under audit or being assessed penalties for failing to comply, even when they have.

The IRS will likely hold the company responsible for proving that they did the right thing, Haslinger said, which will require that they have solid data to back up their claims.

6. Are their independent contractors really independent?

The IRS is already concerned about whether businesses are misclassifying employees as independent contractors, but Haslinger pointed out that an incorrect classification can also have major ramifications on a company's ACA responsibilities.

He suggested that companies have their legal departments or advisors look over all of their contractor relationships to make sure they're appropriate.

7. Can they hit the new deadlines?

The IRS has announced that, unlike this year, it will not be extending the reporting deadlines in 2017. All Forms 1095-C will be due by the end of January (just like W-2s).

And companies that issue fewer than 250 1095-Cs will have to have their 1094-Cs into the IRS by the end of February; for those with more than 250, the 1094-Cs will be due by the end of March.