

ACA Offboarding Compliance Checklist



Affordable Care Act

For Applicable Large Employers

Use this checklist each time a full-time employee separates to reduce ACA reporting errors and employer mandate exposure.

1. Confirm Official Termination Date

Document the official termination date in writing

Ensure payroll and HRIS systems reflect the same date

Confirm termination date aligns with benefits eligibility records

Retain documentation for audit defense

2. Verify Coverage End Date

Confirm plan design rule (last day worked or end of month)

Apply correct coverage termination date

Ensure benefits platform reflects accurate final coverage month

Validate final month of coverage for 1095-C reporting

3. Review Affordability and Offer Status

Confirm offer status was correct for each month of employment

Validate affordability safe harbor applied correctly

Review final month coding for reporting accuracy

4. Issue COBRA Notices (If Applicable)

Determine COBRA eligibility

Issue notice within required timeframe

Document date of notice delivery

Record election or non-election status

5. Assess Variable Hour / Stability Period Impact

Confirm measurement period classification

Determine if stability period coverage obligations remain

Avoid premature coverage termination if stability period applies

6. Reconcile All Systems

Payroll updated

HRIS updated

Benefits administration platform updated

ACA reporting tool updated

Monthly eligibility history verified

7. Preserve Documentation

Termination confirmation retained

Coverage end confirmation retained

COBRA documentation stored

Affordability calculations archived

Final Review

All systems aligned

Reporting codes verified

Documentation complete

Compliance exposure minimized

Retention should align with ACA recordkeeping best practices.