

STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL SERVICES DIVISION
P. O. BOX 942850
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DATE: December 23, 2014

PERSONNEL LETTER #14-022
(CSU Only)

TO: All Agencies/Campuses in the Uniform State Payroll System

FROM: Lisa Crowe, Chief
Personnel/Payroll Services Division

RE: **INTRODUCTION OF THE NEW AFFORDABLE CARE ACT SYSTEM (ACAS) DATABASE**

The Federal Patient Protection and Affordable Care Act (ACA) was enacted in March 2010 to ensure all Americans have access to quality and affordable health care. ACA compliance is critical, as the penalties are significant for non-compliance.

As outlined in [Personnel Letter 14-012 \(CSU\)](#), the implementation of the Employer Shared Responsibility provisions will require changes to the current practices in human resources offices.

THE NEW ACAS DATABASE

Beginning in January 2015, updating information in the new Affordable Care Act System (ACAS) database will begin. Campuses will be provided with inquiry access to the database in **mid-January**. At that time, the database will be pre-populated with employee data for active employees through December 31, 2014.

Campuses will submit monthly files to the SCO indicating new or updated employee health benefit status codes to be reflected in ACAS database. Further instructions regarding submission of monthly files will be provided at a later date. The ACAS database will be used to track the offer, acceptance, decline or suspension/cancellation of health benefits. SCO will use the information submitted to report employee information to the Internal Revenue Service (IRS).

HEALTH BENEFIT ELIGIBILITY/ADMINISTRATION

With the implementation of the ACA, there is no change in how benefits are offered or how health benefit eligibility is determined. Follow the same processes and procedures that are currently in place to determine employee health benefit eligibility as well as enrollment processing.

IMPACTED GROUPS

Reporting full-time employee information to the IRS begins in 2016 for the 2015 calendar year. This means that the State must begin capturing health benefit status information for each employee beginning in January 2015. This impacts Civil Service, California State University, and the Judicial

Council as all of these entities are considered one employer for purposes of the Employer Shared Responsibility provisions.

INITIAL LOAD

All employees will be loaded into the ACAS database with the exception of the following:

- Employees that are Permanently Separated
- Employees that are Temporarily Separated and have not had pay issue in the last 12 months
- CSU A98 transaction Student Assistants that have not had pay issue in the last 12 months
- CSU Instructional Faculty that have not had pay issue in the last 12 months

Health benefit status codes will be populated for most employees that are loaded into the ACAS. Those codes will be identified based on Employment History (EH) data as of December 31, 2014 and payroll data as of December 2014 master payroll. Instructions for auditing the initial load data, as well as for addressing any groups of employees whose health benefit status could not be populated as part of the initial load, will be forthcoming in a Personnel Letter that will be issued at the same time the departments will receive access to the system.

AFTER THE INITIAL LOAD

EH transactions keyed after 12/31/14, regardless of the effective date, will be updated with the employee data (e.g., SSN, name, position). However, campuses will need to keep track of all ACAS transactions and submit the appropriate status codes once the schedule for monthly files is finalized.

GENERAL INFORMATION

CSU and SCO must work together to ensure compliance with the ACA. A variety of compliance reports/mechanisms will be put in place to assist with monitoring ACA compliance. More information on the compliance program will be issued in Spring of 2015.

In the meantime, if there are any questions, please contact:

ACA system support at (916) 322-3770 or acasupport@sco.ca.gov

ACA policy questions at aca.policy@calhr.ca.gov

ACA training request and questions at aca.training@calhr.ca.gov

LC:JR:PMAB