

STATE CONTROLLER'S OFFICE
PERSONNEL AND PAYROLL SERVICES DIVISION
P.O. BOX 942850
SACRAMENTO, CA 94250-5878

DATE: September 25, 2023

PERSONNEL LETTER #23-021
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Jil Barraza, Chief
Personnel and Payroll Services Division

RE: AFFORDABLE CARE ACT SYSTEM – AUTO POPULATION PROGRAM UPDATE

To be compliant with the Internal Revenue Service's mandated Affordable Care Act (ACA) employer shared responsibility provisions, the State Controller's Office (SCO) must collect and report accurate 1095-C data. In an effort to provide the most accurate data, SCO has made the following enhancement in the ACAS:

Effective September 22, 2023, the Personnel and Payroll Services Division implemented a change to the Affordable Care Act System (ACAS) auto population program. Through a nightly process, the auto population program will now automatically populate ACA Status Codes 2A, 2B, and 2D. This change is in addition to ACAS auto population of ACA Status Code 6A, implemented in November 2017. The ACA Status Code 6A auto population program has not changed. Automatic population generates based on a combination of tenure, time base, and the current ACA Status Code for each selected position.

ACA STATUS CODE DESCRIPTIONS

- 2A - Health benefits not offered to the employee because the employee does not meet the eligibility criteria
- 2B - Health benefits not offered to the employee because the employee must first qualify for health benefits during a control period
- 2D - Health benefits not offered because the employee is in a waiting period for new hires or is newly eligible

AUTO POPULATION PROGRAM DETAILS AND EXCEPTIONS

ACA Status Codes 2A, 2B, and 2D auto populate overnight after an applicable appointment transaction is keyed into the Employment History (EH) system by human resources (HR) staff. The ACAS is designed to auto-populate the appropriate ACA Status Code when one of the following appointment transactions is keyed in EH: A01, A02, A03, A04, A09, A10, A11, A12, A13, A14, A20, A21, A22, A30, A31, A32, A33, A34, A35.

Use the tables below to determine how the auto population program will work in different appointment scenarios.

Use the table below to determine the expected results of the 2A, 2B, and 2D by the auto population program when an applicable appointment transaction is keyed in EH for an employee resulting in a single position:

Appointment to:	Current ACA Status Code of:	ACA Status Code Populated:
Perm/FT	1A, 2D, 3A, 3B, 4A, 4B, 5B or 5C	Bypass record
Perm/FT	1B, 1C, 1D, 1E, 2A, 2B, 5A, 5D, 6A, or Blank	2D
Temp/INT	Blank, and all ACA Status Codes, except 2A	2A
Perm/INT	2A, 5A, 5D, 6A, or blank	2B
Perm/INT	1A, 1B, 1C, 1D, 1E, 2B, 2D, 3A, 3B, 4A, 4B, 5B, or 5C	Bypass record
Tenure R	Blank, and all ACA Status Codes, except 2A	2A

Use the table below to determine the expected results of the 2A, 2B, and 2D by the auto population program when an applicable appointment transaction is keyed in EH for an employee resulting in multiple positions:

Appointment to:	If Current ACA Status Code in any Different Position Sequence is:	Then, the ACA Status Code Auto-Populated for the Position Sequence will be:
Perm/FT	1A, 2D, 3A, 3B, 4A, 4B, 5B, or 5C	2A
Perm/FT	1B, 1C, 1D, 1E, 2A, 2B, 5A, 5D, 6A, or Blank	2D
Temp/INT	All ACA Status Codes, or Blank	2A
Perm/INT	1A, 1B, 1C, 1D, 1E, 2D, 3A, 3B, 4A, 4B, 5B, or 5C	2A
Perm/INT	2A, 2B, 5A, 5D, 6A, or Blank	2B
Tenure R	All ACA Status Codes, or Blank	2A

Transactions generated by the auto population program will:

- Display an effective date based on the effective date keyed for the appointment transaction in EH
- Display “SCO AUTO GEN” in the UPDATED BY column in ACAS

The auto population program will not update an ACA Status Code if:

- Updates are not keyed by HR staff in EH
- The appointment transaction was keyed into EH prior to September 22, 2023
- The ACA Status Code to be populated is already the current ACA Status Code in the selected position

HR STAFF RESPONSIBILITY

It is the responsibility of HR staff to ensure that all ACA Status Codes are accurate for every position for all employees, making necessary updates as appropriate. The ACAS auto population program is designed to simplify this responsibility, but it still requires diligence from HR staff to ensure all records are accurate.

HR staff are responsible for reviewing ACAS records for all employees with an applicable appointment transaction keyed the day prior. HR staff are to review each record to ensure that all appropriate ACA Status Codes that update via the auto population program (2A, 2B, 2D, and 6A – see [Personnel Letter #17-027](#) for

more information about ACAS auto population of ACA Status Code 6A) have been auto-populated correctly. HR staff are responsible for correcting any records that are incorrect, including, but not limited to:

- If the auto population program does not update an ACA Status Code, then HR staff must manually enter the correct ACA Status Code(s)
- If the auto population program updates the ACA Status Code incorrectly, then HR staff must void the auto-populated transaction and then manually key the appropriate ACA Status Code(s)

When reviewing employee records, remember to review the record in its entirety. It becomes more challenging to make retroactive corrections as more updates are made to an ACA record. Reviewing records in their entirety can help to ensure less retroactive changes, resulting in additional re-keying.

COMPLIANCE REPORTS TO ASSIST WITH 2A, 2B, AND 2D UPDATES

HR staff are to use monthly and quarterly compliance reports available on ViewDirect and Mobius View as a tool to enter missing or incorrect ACAS data identified on the reports. Although these reports do not identify all updates needed in ACAS, they are helpful tools to identify where HR staff may have missed ACA Status Code changes during regular processing. The compliance reports listed below are for HR staff to use to identify updates that may include exceptions from the auto population program:

- PDA2050C EE W/O ACAS CODE (This report identifies active employees within the ACAS who do not have an ACA Status Code)
- PDA2050L ACTIVE EE WITH SEPARATION CODE (This report identifies active employees within the ACAS that have a current ACA Status Code of 6A)

ACAS RESOURCES

Use the ACA tools and resources included below to determine the appropriate ACA Status Code(s), and for additional information on how to make manual corrections in ACAS:

- ACA Training Page: https://sco.ca.gov/ppsd_affordable_care_act_training.html
- User Guide: https://sco.ca.gov/Files-PPSD/acas_userguide.pdf

For questions regarding the ACAS auto population program or any other inquiries related to the ACAS, contact ACA Online Support by emailing acasupport@sco.ca.gov or by calling (916) 322-3770.

If you have questions regarding this letter, please contact the Statewide Customer Contact Center at (916) 372-7200. For additional questions, use the following contact information:

Contacts:

- Affordable Care Act (ACA) Email ACASupport@sco.ca.gov
- [Cal Employee Connect \(CEC\) - Help and Feedback](#)
- [ConnectHR - Help and Feedback](#)
- California Leave Accounting System (CLAS) Email CLAS@sco.ca.gov
- CS Escalation Email (HR Supervisors and Managers) PPSDOps@sco.ca.gov

- Decentralized Security Administration (DSA) & ViewDirect Access (916) 619-7234 or DSA@sco.ca.gov
- HR Suggestions Email (All HR Staff) PPSDHRSuggestions@sco.ca.gov
- Management Information Retrieval System (MIRS) Email PPSDMIRS@sco.ca.gov
- [Statewide Customer Contact Center](#) (916) 372-7200

SCO Key Initiatives:

- [Cal Employee Connect Project](#)
- [California State Payroll System Project](#)

Websites:

- [HR](#)
- [State Employees](#)

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