



# Contra Costa County Office of Education

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Karen Sakata, Superintendent of Schools

## Business and Administrative Services

May 10, 2017

TO: District Business Officials  
District Payroll  
Contra Costa County School Districts

FROM: Felicia Hill, Manager, District Payroll Services

SUBJECT: CalPERS Circulars – **April 2017**

The following is a summary of the most recent CalPERS Circulars, which are provided for additional detail.

**1) CalPERS Circular No. 600-016-17 – Affordable Care Act Rule Regarding Health Plan Opt-Out Arrangements**

- Applicable Large Employers (ALEs) are required to offer affordable coverage (employee's contribution can't exceed a certain percentage of that employee's income) that provides minimum value to their full-time employees or potentially pay penalties. ALEs are required to file IRS Form 1095-C.
- Employers can continue to rely on the guidance provided in Notice 2015-87 and the proposed rule, issued July 8, 2016.

CalPERS encourages each CalPERS Employer to thoroughly review the Circular Letter, and the federal regulations and corresponding guidance discussed within, with its own legal counsel to understand how it might specifically apply to them.

**2) CalPERS Circular No. 600-017-17 – Contracting Agency Minimum Employer Contribution Calculation for 2018**

- New minimum employer health contribution for 2018

Minimum Employer Contribution by Calendar Year	
Year	Index
2014	\$119.00
2015	\$122.00
2016	\$125.00
2017	\$128.00
2018	\$133.00

- No actions are needed unless contracting agencies need to make a change to their current contribution method, employers must submit a change resolution. Change resolutions are effective the first day of the second month following receipt by CalPERS.

### **3) CalPERS Circular No. 200-021-17 – New Requirement for Retroactive Special Compensation Adjustments (RSC)**

Effective June 17, 2017 reporting both Pay Rate Type and Pay Rate when reporting Retroactive Special Compensation Adjustments (RSC) will no longer be required.

After the CalPERS Update, the following Error message will be displayed if a Pay Rate Type and/or Pay Rate are reported within the RSC transaction:

**CRB00273 - Pay Rate Type and Pay Rate cannot be reported with the transaction type of Retroactive Special Compensation Adjustment. Please remove the Pay Rate Type and Pay Rate from this transaction.**

- **Online Reporters** - report Pay Rate Type blank and populate Pay Rate with a value of "0" dollars.
- **File Upload Submitters** - It is recommended that they have their system updated to capture the new requirements. This will prevent business partners from receiving error CRB00273. If system is not updated, either Pay Rate Type and/or Pay Rate will need to be removed.