

Date: April 6, 2011

Code: TECHNICAL LETTER
HR/Benefits 2011-05

To: Human Resources Officers
Benefits Representatives

Reference: HR/Benefits 2009-10

From: Evelyn Nazario 
Assistant Vice Chancellor
Human Resources Management

Subject: **CalPERS Pension System Resumption (PSR) Implementation Update**

Overview

Audience: Human Resources Officers, Benefits Representatives, and/or campus designee(s) responsible for administering benefits

Action Item: Required data clean-up and training for the September 19, 2011, implementation of the CalPERS Pension System Resumption (PSR), formerly CalPERS Automated Communication Exchange System (ACES).

Affected Employee Group(s)/Unit(s): N/A

Summary

This technical letter provides updated information regarding the CalPERS Pension System Resumption (PSR) Implementation, which will replace the Automated Communications Exchange System (ACES). Campus designees responsible for health benefits administration and/or the testing of Oracle PeopleSoft functionality of Benefits Administration (Ben Admin) and/or Base Benefits modifications in CMS baseline should read the rest of this technical letter.

Background and Update of CalPERS Implementation Date

In HR/Benefits 2009-10, it was announced that the CalPERS Pension System Resumption (PSR) system (also referred to as "my|CalPERS") will replace over 49 systems currently in use by CalPERS including the Automated Communications Exchange System (ACES), and provide a more streamlined self-service environment for managing member enrollments, benefits and contributions with CalPERS. At that time, the implementation was scheduled to go-live in April 2010; however, go-live was delayed by CalPERS due to several critical issues. Consequently, CalPERS rescheduled the implementation date of PSR to September 19, 2011, to ensure a successful transition for CalPERS and the employers that will be managing health benefits enrollments in the new business environment.

Within CSU, the PSR Project team is comprised of staff from Human Resources Management (HRM), Human Resources, Information Support and Analysis (HR-ISA), and Common Management Systems (CMS). The PSR Project team has been working on the CSU PSR Interface with CalPERS for three years and has the responsibility of determining the scope and impact of the PSR implementation on the CSU from the benefits, payroll, policies, and HRIS purviews. As a result, CMS has designed a uniform technical solution that all campuses will utilize when PSR is implemented.

Distribution:

CSU Presidents
Vice Chancellor, Human Resources
Vice Presidents, Administration

Payroll Managers
HRIS Managers
Budget Officers

HUG Benefits Listserv
CalPERS
State Controller's Office

From an employer perspective, PSR allows campuses to update, enroll, and report Health Plan enrollments via an electronic interface with Oracle/PeopleSoft. More significantly, in the new online "my|CalPERS" business environment, PSR allows authorized campus users to run various demographic reports and will accept CSU COBRA and retiree Dental enrollments via the PSR interface. As a result, the manual submission of such forms to CalPERS for these purposes will be discontinued upon implementation.

The PSR Interface Process

The PSR Interface is an automated, bi-directional interface between CalPERS and the CSU. Although campuses will continue to input health plan enrollments and changes in Oracle/PeopleSoft, the PSR Interface requires each campus to send a transaction file to CalPERS, and upon processing, CalPERS returns a response file to each campus. The process for outbound/inbound interfaces is described below:

- **The PSR (Outbound) Interface** (from each campus to CalPERS) includes the generation of a health enrollment file from Oracle/PeopleSoft, encryption of the health enrollment file and transmission via Secure File Transfer Protocol (SFTP) of the encrypted file from each campus' (including the Chancellor's Office) production database to a CalPERS server.

CSU Transaction Types that campuses will submit via the PSR (Outbound) Interface include:

- New Enrollment;
 - Add/Delete Dependent(s);
 - Change Health Plan;
 - Change Coverage Type;
 - Cancel Coverage;
 - Change Premium Payment Method;
 - COBRA New Enrollment;
 - Continued Enrollment;
 - Dependent Address Change;
 - Update Enrollment;
 - Open Enrollment; and
 - Retiree Dental Initial Enrollment.
- **The PSR (Inbound) Interface** (from CalPERS to each campus) includes the transmission of an encrypted file from a CalPERS server to CSU campuses (including the Chancellor's Office), followed by decryption of the file and processing of the file in Oracle/PeopleSoft. The inbound file from CalPERS will contain pertinent information related to employees (i.e., Subscriber and Dependent IDs, etc.), and also may contain errors that require campus correction.

Update Regarding Data Elements Introduced in PSR

PSR offers a new environment in which to process health plan, COBRA and retiree Dental enrollments/transactions, and requires that the Employer's CalPERS ID be expanded from four (4) digits, into a 10-digit number. Please note the following data elements below that have been created in PSR. With the exception of enrollments for new hires or newly acquired dependents, CalPERS will require the following elements to appear on health enrollment transactions:

- **Participant ID**: CalPERS will provide a unique identifier for each member which campuses will receive and store for reporting purposes. This unique identifier will be used in lieu of a Social Security Number (SSN).
- **Dependent ID**: CalPERS will provide a unique identifier for each dependent under an employee's health enrollment. The unique identifier will be used in lieu of a Social Security Number (SSN).

Once implementation has occurred, the Participant and Dependent IDs will be assigned by CalPERS for new hires and/or new dependents upon submission of the initial health enrollment. The assigned IDs will be provided to the campus in the response file, which will then be used to update Oracle/PeopleSoft.

In HR/Benefits 2009-10, it was explained that CalPERS will also provide campuses an assigned **Appointment ID** for each position keyed into PIMS. ***After careful consideration, CalPERS is no longer requiring the CSU to maintain the Appointment ID. Therefore, this element will not be stored in Oracle/PeopleSoft.***

Seed Data

Prior to implementation, CalPERS will provide seed data for each campus that will contain the Participant and Dependent IDs for current health enrollments, and CMS will provide an application engine program for campuses to update Oracle/PeopleSoft.

The health event reasons (i.e., permitting events) used today will also be used to manage health benefits in the PSR environment. In addition to existing health event reasons, CalPERS has added several new health event reason codes that will apply to CSU.

Additional information regarding the CalPERS seed data file specifications, PSR data elements and health event reasons will be provided in a forthcoming communication.

CSU PSR Interface (Oracle/PeopleSoft)

As a result of the CalPERS PSR implementation, the current Oracle/PeopleSoft ACES functionality will be replaced by the CSU PSR Interface developed by the PSR Project Team to transmit data from Oracle/PeopleSoft to CalPERS for both Benefits Administration (Ben Admin) and Base Benefits campuses.

It continues to be a shared goal of CMS and HRM that all CSU campuses utilize the Benefits Administration Oracle/PeopleSoft module, which offers the advantage of being a rules-driven automated benefits enrollment application. ***Please note: PSR is a data driven application, which will require all campuses to carefully review its campus data for accuracy and to periodically reconcile records for PSR processing and functionality. However, the interface will be seamless for campuses utilizing either of the Oracle/PeopleSoft benefits applications (Ben Admin and Base Benefits).***

It is noted that campuses are in the process of either upgrading to Oracle/PeopleSoft version (v) 9.0 or will be live on v9.0 when PSR goes live. The PSR Project Team has taken this factor into consideration, and surveyed the campuses regarding their planned v9.0 upgrade. As a result, the PSR Interface will be available in v8.9 and v9.0.

Security Protocols

To ensure the data security of the health enrollment process, the outbound/inbound PSR Interface(s) will be processed via automated server-based encryption/decryption and Secure File Transmission Protocol (SFTP). This automated solution is highly secure, does not require the end user to manually encrypt/decrypt health enrollment files, and has been approved by the Chancellor's Office (CO) Systemwide Information Security Office.

Assignment of System Access Administrator

In preparation for the PSR Interface implementation, the CalPERS Public Employer Readiness Team (PERT) recently contacted HRM with a request to identify a System Account Administrator (SAA) for "my|CalPERS" online access for each campus, including the Chancellor's Office. This information has been provided to CalPERS and will assist them in preparing CSU for upcoming training regarding the security protocols of assigning access to PSR in "my|CalPERS." The SAA role replaces the ACES Account Administrator role, and this individual will have the authority to add/delete new PSR users and customize access for each user assigned. For future reference, these additional users will be referred to as "Business Contacts" and "Technical Contacts." Additional information on these roles is forthcoming, and campuses will be provided instructions on granting access to authorized staff assigned to these roles.

For the purposes of the testing activities and implementation, CalPERS is limiting the authority of each campus-assigned "System Account Administrator" to one individual. After the initial launch of PSR, the "System Account Administrator" on record will have an opportunity to name an additional "System Account Administrator" as an alternate to ensure business continuity if issues arise.

State Controller's Office (SCO) and CalPERS Interface

Although PSR has three components: Payroll, Health Benefits and Retirement, the CSU will only utilize the Health Benefits and Retirement components. The Payroll component which consists of appointments, service credits, and employment history, will continue to be managed via an interface that will feed the CalPERS database with appointment and service data from the SCO. Therefore, the SCO will continue to be the system of record and campuses will input appointment data via the Personnel/Payroll Information Management System (PIMS) as they do today.

Additional Information Regarding the Discontinuance of ACES Access

CalPERS will discontinue ACES as of close of business August 30, 2011. As a result, campuses and CalPERS staff will be unable to input new enrollments and/or changes in ACES. ***During the period of transition from ACES to PSR implementation, benefits transactions will continue to be entered into Oracle/PeopleSoft and the campus Benefits Office must submit these transactions electronically to CalPERS when PSR is implemented in September.***

Update Regarding Oracle/PeopleSoft Generated Forms

Upon PSR implementation, campuses will no longer manually submit the enrollment forms to CalPERS (i.e., CalPERS health benefit enrollment, COBRA enrollment, or the Dental Plan enrollment (retirees) forms). However, a signed copy bearing the employee's and campus Benefits Officer's signatures must be retained in the campus Benefits Office. Please note: the new PSR process has no bearing on the existing SCO process for other benefits enrollments (i.e., dental, vision, Flex Cash, etc.).

As a result of the CSU PSR Interface, the following Oracle/PeopleSoft generated benefits enrollment forms have been modified:

- HBD-12 CalPERS Health Benefit Plan Enrollment Form;
- STD. 692 Dental Plan Enrollment Authorization Form for retirees; and
- STD. 692 Dental Plan Enrollment Authorization Form for active employees.

Samples of these modified forms will be released in a forthcoming communication.

CalPERS and CSU Sponsored Training

Campuses will be provided training from both the CalPERS PSR and the Oracle/PeopleSoft processing perspectives. Information regarding training sessions will be announced in a future communication.

Planned Testing Activities and Pertinent Dates

There are two (2) phases of testing in preparation for PSR implementation: 1) Testing between CMS and CalPERS of the PSR bi-directional process; and 2) Testing by campuses of the Oracle/PeopleSoft and PSR interface and enrollment process.

To assure success of the PSR implementation and CSU PSR (Oracle/PeopleSoft) interface, the following pilot campuses have completed the initial phase of campus testing:

- CSU Fullerton
- CSU Sacramento
- Cal Poly San Luis Obispo

The Campus Acceptance Testing activities, which will require all campuses to test the CSU PSR Interface and become familiar with PSR processing, are scheduled to begin in June 2011. Please note the following critical timeframes and activities so that campuses can begin preparing for PSR implementation. Please note: the timeframes are tentative and may change. Campuses will be appropriately notified of specific dates and if changes in any of the timelines listed below are warranted.

Dates	Assigned To	Activities
April 2011	PSR Project Team	<ul style="list-style-type: none"> ➤ Finalization of pilot campuses testing results. ➤ Identification and communication of elements for data clean-up activities. ➤ Campus data clean-up activities.
	PSR Project Team	
	Campus	
May 2011	Campus	<ul style="list-style-type: none"> ➤ Identify campus PSR test database instance. ➤ Data clean-up activities continue.
	Campus	
June 2011	PSR Project Team	<ul style="list-style-type: none"> ➤ Release of PSR Project in CMS Baseline. ➤ Application of PSR Project to campus production databases. ➤ Campus Acceptance Testing begins in campus test database (cloned from production database). ➤ PSR Training (CSU/CalPERS) for campuses. ➤ Data clean-up activities continue.
	Campus	
	Campus	
	PSR Project Team	
	Campus	
July 2011	PSR Project Team	<ul style="list-style-type: none"> ➤ Campus Acceptance Testing finalization. ➤ PSR Interface Training (CSU) for campuses. ➤ Data clean-up activities continue.
	PSR Project Team	
	Campus	
August 2011	Campus	<ul style="list-style-type: none"> ➤ Freeze ACES input on August 30, 2011. ➤ Final data clean-up activities completed for PSR go-live.
	Campus	
September 2011	Campus	<ul style="list-style-type: none"> ➤ Seed Data loaded into v8.9 and v9.0 campus databases. ➤ Open Enrollment Begins. ➤ PSR Go-Live.
	Campus	
	Campus	

Additional Information

Additional communications regarding PSR and the impact on campuses and employees will continue to be provided in the future via the monthly HUG Benefits Subcommittee teleconferences, webinars, technical letters, etc., as deemed appropriate.

Common Management Systems (CMS) Processing Instructions

The CSU PSR Interface has been developed for the purposes of the PSR implementation, along with other supporting pages and processes. The CSU PSR interface will be used by all campuses and the Chancellor's Office. Additional information will be provided in a future CMS communication.

Questions regarding this Technical Letter may be directed to Human Resources Management at (562) 951-4411. This Technical Letter is also available on the Human Resources Management Web site at: <http://www.calstate.edu/HRAdm/memos.shtml>.

EN/mh