



State of Utah

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Insurance Department

TODD E. KISER
Insurance Commissioner

BULLETIN 2015-9

To: Insurers Offering Health Benefit Plans
From: Todd E. Kiser, Utah Insurance Commissioner
Date: October 9, 2015
Subject: **Employer Definitions Effective January 1, 2016**

This Bulletin applies to an insurer who has offered, or is offering, a health benefit plan, to an employer group. Currently, Utah Code Annotated § 31A-1-301 defines a small employer as:

"Small employer" means, in connection with a health benefit plan and with respect to a calendar year and to a plan year, an employer who:

- (a) employed at least one employee but not more than an average of 50 eligible employees on business days during the preceding calendar year; and
- (b) employs at least one employee on the first day of the plan year.

Effective January 1, 2016, Utah's small and large employer definition is preempted by Section **1304** of the Patient Protection and Affordable Care Act (PPACA). Additionally, the United States Congress has passed, and the President has signed, House Resolution 1624, Protecting Affordable Coverage for Employees Act, which modifies the employer definition in PPACA. Based on the definition in Section **1304** of PPACA, H.R. 1624, and pursuant to Utah Code Annotated § 31A-2-212(5)(a), the Department will utilize the following definitions for a small and large employer effective January 1, 2016:

"Large employer," in connection with a health benefit plan, means an employer who, with respect to a calendar year and to a plan year:

- (a) employed an average of at least 51 employees on business days during the preceding calendar year; and
- (b) employs at least one employee on the first day of the plan year.

The number of employees shall be determined using the method set forth in 26 U.S.C. Section 4980H(c)(2).

"Small employer" means, in connection with a health benefit plan and with respect to a calendar year and to a plan year, an employer who:

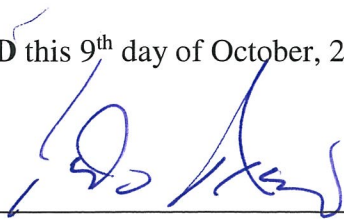
(a) employed on average of at least one employee but not more than an 50 employees on business days during the preceding calendar year; and

(b) employs at least one employee on the first day of the plan year.

The number of employees shall be determined using the method set forth in 26 U.S.C. Section 4980H(c)(2).

If you have any questions or comments, please contact the Health and Life Division at 801-538-3077 or health.uid@utah.gov.

DATED this 9th day of October, 2015.



Todd E. Kiser
Insurance Commissioner