



## Insurance Department

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*Insurance Commissioner*

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# BULLETIN 2016-4

**TO:** Health Insurers Offering Small Employer Group Health Benefit Plans  
**FROM:** Todd E. Kiser, Insurance Commissioner  
**DATE:** October 25, 2016  
**SUBJECT:** Small Employer Participation Requirements

This Bulletin applies to a health insurer who offers a group health benefit plan to a small employer. This Bulletin provides guidance regarding the notices and requirements when applying employer contribution or group participation requirements.

Pursuant to Utah Code Annotated § 31A-1-301(125), participation is defined as a requirement relating to the minimum percentage of eligible employees that must be enrolled in relation to the total number of eligible employees of an employer, reduced by each eligible employee who voluntarily declines coverage under the plan due to other qualified health care insurance coverage.

As outlined in 45 CFR 147.104, a health insurer offering health insurance coverage in the small group market must offer any employer in the State all products that are approved for sale in the market, and must accept any employer that applies for any of those products. A health insurer in the small group market must also allow an employer to purchase health insurance coverage at any point during the year. In the case of a small employer group that cannot comply with employer contribution or group participation rules, a health insurer may restrict the availability of coverage to an annual enrollment period that begins November 15 and extends through December 15 of each calendar year.

If a small employer is denied coverage for not meeting contribution or participation requirements, a health insurer is advised to notify the small employer of the provisions outlined in 45 CFR 147.104(b)(1)(i)(B) and that coverage offered between November 15 and December 15 is not subject to employer contribution or group participation rules.

If you have any questions or comments, please call the Health and Life Division at 801-538-3077 or email us at [health.uid@utah.gov](mailto:health.uid@utah.gov).

DATED this 25<sup>th</sup> day of October 2016.

  
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Todd E. Kiser  
Insurance Commissioner