




Stephen C. Taylor
Acting Commissioner

BULLETIN

15-IB-07-10/20

TO: ALL HEALTH INSURERS WRITING GROUP ACCIDENT AND SICKNESS
COVERAGE IN THE DISTRICT OF COLUMBIA

FROM: STEPHEN C. TAYLOR, ACTING COMMISSIONER 

SUBJECT: DEFINITION OF SMALL EMPLOYER *NOT* EXPANDING TO 100
EMPLOYEES ON OR AFTER JANUARY 1, 2016

DATE: OCTOBER 20, 2015

The purpose of this Bulletin is to clarify the effect of the enactment of Public Law 114-60 (HR 1624), the Protecting Affordable Coverage for Employees Act (“PACE Act”) on the definition of small employer in District of Columbia as applied to health benefit plans.

The PACE Act amended § 1304(b) of the Patient Protection and Affordable Care Act (“ACA”) to change the definition of “small employer” from 1-100 employees to 1-50 employees, among other things. The Council of the District of Columbia, by enacting the Federal Health Reform Implementation and Omnibus Amendment Act of 2014, effective May 2, 2015 (D.C. Law 20-265; 62 DCR 1529) (“DC Health Reform Act”), made applicable to the District the ACA’s health insurance market reforms, including § 1304(b).

Accordingly, for plan years that begin on or after January 1, 2016, the District will apply the definition of “small employer” in § 1304(b)(2), as amended by the PACE Act, which is limited to employers with 50 or fewer employees. The District’s use of the definition in § 1304(b)(2) for “small employers” shall be applied consistently throughout the insurance code, including the references at D.C. Official Code §§ 31-3101(19A), 31-3301.01(42) and 31-3501(7C), until such conforming amendments can be made.

Further, consistent with the guidance provided herein, this Bulletin also rescinds Bulletin 15-IB-05-04/28, “Small Employer” Transitional Policy for the 2016 Plan Year, issued on April 28, 2015.

Any questions or concerns regarding this Bulletin may be directed to the Insurance Bureau of the Department of Insurance, Securities and Banking at (202) 727-8000.