



**DEPARTMENT OF INSURANCE, FINANCIAL
INSTITUTIONS AND PROFESSIONAL REGISTRATION**

P.O. Box 690, Jefferson City, Mo. 65102-0690

INSURANCE BULLETIN 15-04

Definitions of Small Employer Groups for Health Benefit Plans

Issued: October 30, 2015

The following Bulletin is issued by the Missouri Department of Insurance, Financial Institutions and Professional Registration (“DIFP”) to inform and educate the reader on the specified issue. It does not have the force and effect of law, is not an evaluation of any specific facts or circumstances, and is not binding on the Department or an insurer. See §374.015 RSMo.

To: All insurers issuing health benefit plans, producers and other interested parties

From: John M. Huff, Director

Re: Definition of Small Employer Groups for Health Benefit Plans

The Department has received a number of inquiries asking for guidance as to what will constitute a “small employer group” as of January 1, 2016 in light of recent changes to Federal Law.

On October 7, 2015, the “Protecting Affordable Coverage of Employees Act (“PACE”) was signed into law by the President. PACE amends the definition of a “large group” under Federal Law, defining it as an employer with 51 or more employees. PACE also permits states to maintain their current definition(s) of what constitutes a “small group” for the small employer group market.

Unless or until the Missouri General Assembly amends Section [379.930.2\(34\)](#) RSMo., the definition of a small employer group as a business employing “an average of at least two but no more than fifty eligible employees on business days during the preceding calendar year and that employs at least two employees on the first day of the plan year” remains in effect.

Insurers with questions regarding this Bulletin should contact the Market Regulation Division at 573-751-3365.