TO: Insurers Writing Small Group Health Insurance in Oklahoma

RE: PACE Act- Small Group Definition

FROM: Oklahoma Insurance Department

DATE: October 13, 2015

On October 8, 2015, President Obama signed into law The Protecting Affordable Coverage for Employees (“PACE”) Act. The PACE Act removed the Affordable Care Act provision which would have changed the definition of a small group employer to 1-100 full-time employees. Under the PACE Act, states now have the discretionary authority to define small group employer in such a manner that is effective for each state’s unique health insurance market and respective demographics.

In light of the PACE Act, the Oklahoma Insurance Department (“OID”) is clarifying that the Small Employer Health Insurance Reform Act remains applicable to small employers, as defined in 36 O.S. § 6512(26), with a group health plan providing coverage to two (2), but not more than fifty (50), eligible employees. Accordingly, health insurance carriers that have previously filed rates reflecting the 1-100 small group employer definition are hereby allowed to amend those rate filings with the OID. These amendments can be submitted through SERFF.

Questions or comments applicable to this bulletin should be directed to Mike Rhoads (Mike.Rhoads@oid.ok.gov) or Barron Brown (Barron.Brown@oid.ok.gov), Oklahoma Insurance Department, Five Corporate Plaza, 3625 NW 56th, Suite 100, Oklahoma City, OK 73112.

The Oklahoma Insurance Department encourages readers of this notice to periodically check the Department’s web site http://www.ok.gov/oid/ for news and updates to Bulletins and other relevant material.