



October 2015

WEST VIRGINIA INFORMATIONAL LETTER

NO. 196

TO: All Insurance Companies Doing Business in the State of West Virginia, Insurance Trade Associations, Insurance Media Publications and Other Interested Persons

RE: Protecting Affordable Coverage for Employees Act

On October 7, 2015, President Obama signed into law the Protecting Affordable Coverage for Employees (PACE) Act. The PACE Act amends the provision of the Patient Protection and Affordable Care Act (ACA) which provided that, as of January 1, 2016, all employers with one hundred or fewer employees must be regarded as small employers for the purpose of small group health insurance plans.

Under current law in West Virginia, employers with two to fifty employees are considered small employers.¹ The PACE Act enables West Virginia to retain the current definition of small employer at fifty or fewer employees. However, the ACA will continue to preempt West Virginia's requirement that a small employer have at least two employees considering the ACA's definition of small employer includes those employers having only one employee.

In light of the PACE Act's passage, health plan issuers should file amended forms to correct any designation indicating that a small group may consist of more than fifty employees. The Rates and Forms Division will expeditiously review such forms upon filing.

Please e-mail any questions concerning this Informational Letter to Informational.Letters@wvinsurance.gov or call (304) 558-0401.

Michael D. Riley
Insurance Commissioner

¹ See W. Va. Code § 33-16D-2(r).

