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**GUIDANCE REGARDING THE DEFINITION OF SMALL EMPLOYER**

NRS 689C.095 currently defines “small employer” as “an employer who employed on business days during the preceding calendar year an average of at least 2 employees, but not more than 50 employees, who have a normal workweek of 30 hours or more, and who employs at least 2 employees on the first day of the plan year”. This definition in NRS 689C.095 will change on January 1, 2016, to have the meaning ascribed to it in 42 U.S.C. §18024(b)(2). On October 7, 2015, President Obama signed the PACE Act into law. The PACE Act has now changed the definition of “small employer” in 42 U.S.C. §18024(b)(2) from 1-100 employees to 1-50 employees.

Prior to October 7, 2015, health carriers submitted and the Nevada Division of Insurance (DOI) approved 2016 small employer risk pool rates and policy forms based upon the definition of “small employer” that existed at that time for the 2016 filings. The PACE Act’s subsequent change in the definition of “small employer” may have an impact on those rates and policy forms. Although these rates and policy forms are locked down for January 1, 2016, health carriers may request revisions to be effective April 1, 2016 if submitted to the DOI for review no later than December 1, 2015.

For questions or clarification with regard to this Bulletin, please contact the Life & Health Section at (888-872-3234) or [insinfo@doi.nv](mailto:insinfo@doi.nv).

A handwritten signature in blue ink, appearing to read "Amy L. Parks", written over a horizontal line.

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