



LOUISIANA DEPARTMENT OF INSURANCE

JAMES J. DONELON  
COMMISSIONER

**BULLETIN NO. 2018-03**

**TO: ALL HEALTH INSURANCE ISSUERS AND HEALTH MAINTENANCE ORGANIZATIONS**

**FROM: JAMES J. DONELON, COMMISSIONER OF INSURANCE**

**RE: RESCISSION OF BULLETIN NO. 2011-03**

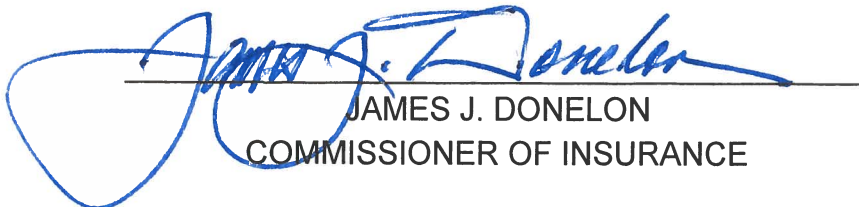
**DATE: JANUARY 26, 2018**

All health insurance issuers and health maintenance organizations are hereby given notice that Bulletin No. 2011-03, issued on December 29, 2011, is rescinded.

The aforementioned and rescinded Bulletin provided guidance regarding the definition of "small employer" for the purposes of reporting medical loss ratio (MLR) under the Patient Protection and Affordable Care Act (PPACA). As enacted in 2010, Section 1304 of the PPACA defined "small employer" as "an employer who employed an average of at least one but not more than 100 employees on business days during the preceding calendar year and who employs at least one employee on the first day of the plan year". At that time, La. R.S. 22:1061 defined "small employer" as "an employer who employed an average of at least two but not more than 50 employees on business days during the preceding calendar year and who employs at least two employees on the first day of the plan year". Bulletin No. 2011-03 was issued to provide guidance and to instruct regulated entities to calculate the MLR using the PPACA definition of "small employer".

In October 2015, the Protecting Affordable Coverage for Employees (PACE) Act amended Section 1304 of the PPACA. The definition of "small employer" was amended to mean "an employer with an average of at least one but not more than 50 employees on business days during the preceding calendar year and who employs at least one employee on the first day of the plan year". In response to the PACE Act, in 2016 the Louisiana Legislature adopted Act 32 which amended La. R.S. 22:1061 and La. R.S. 22:1091 to define "small employer" as an employer "which has employed an average of at least one but not more than 50 employees on business days during the preceding calendar year and who employs at least one employee on the first day of the plan year". Therefore, Bulletin No. 2011-03 is no longer accurate and it is hereby rescinded.

Baton Rouge, Louisiana, this 26th day of January, 2018.

  
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JAMES J. DONELON  
COMMISSIONER OF INSURANCE