



COMMONWEALTH OF PUERTO RICO  
**OFFICE OF THE COMMISSIONER OF INSURANCE**

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November 24, 2015

**CIRCULAR LETTER: CC-2015-1868-D**

TO ALL HEALTH INSURANCE ORGANIZATIONS AND INSURERS THAT WRITE HEALTH INSURANCE IN PUERTO RICO OTHER THAN MEDICARE ADVANTAGE OR MEDICARE SUPPLEMENTARY PLANS

**CLARIFICATION OF THE DEFINITION OF GROUP THAT IS APPLICABLE IN PUERTO RICO**

Dear Sirs and Madams:

This Office has received several requests for information regarding the definition of a group to be applied in Puerto Rico for 2016 with regard to the recently approved Public Law 114-60, known as the Protecting Affordable Coverage for Employees Act ("PACE").

The PACE Act amends Section 1304 (b) of the Affordable Care Act and Section 2791(e) of the Public Health Service Act to continue with the definition of small groups that includes employers of up to fifty (50) employees during business days in the previous calendar year. However, PACE gives the States and different jurisdictions the discretion to decide whether they want to retain the original definition of small groups in which it was provided that as of January 1, 2016 employers with up to one hundred (100) employees were considered to be small groups.

The Puerto Rico Insurance Code provides that as of January 1, 2016 employers with more that one hundred (100) employees will be considered to be large groups. Furthermore, the rates for health insurance for small groups ("SMB") for 2016 have already been approved, taking into consideration the aforementioned definition and will enter into effect from October 1 of this year. Therefore, this Office will continue to use the definition of small groups that is to enter into effect in 2016 and employers who

have between two (2) and one hundred (100) employees will be considered to be small groups. We clarify that groups of fifty (50) to one hundred (100) employees will be considered as small groups in the event of the renewal of the health insurance plan.

Very truly yours,

SIGNED

Ángela Weyne-Roig  
Commissioner of Insurance