

SENATE BILL NO. 178(title am)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY SENATOR RIEGER

Amended: 2/15/96

Introduced: 5/9/95

A BILL

FOR AN ACT ENTITLED

1 "An Act increasing the number of eligible employees that constitute an employer
2 group for purposes of providing small employer health insurance; amending the
3 definition of 'small employer'; and requiring an annual report from the Small
4 Employer Health Reinsurance Association until 1999."

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 * **Section 1.** AS 21.56.160(b) is amended to read:

7 (b) A small employer insurer that cannot offer coverage under (a)(3) of this
8 section may not offer health insurance coverage in the applicable area to new cases of
9 employer groups with more than 50 [25] eligible employees or to small employer
10 groups until the later of 180 days following each refusal or the date on which the
11 insurer notifies the director that it has regained capacity to deliver services to small
12 employer groups.

13 * **Sec. 2.** AS 21.56.250(23) is amended to read:

14 (23) "small employer" means a person, firm, corporation, partnership,

1 or association actively engaged in business whose total employed work force consisted
2 of, on at least 50 percent of its working days during the preceding 12 months, at least
3 two but not more than 50 [25] eligible employees, the majority of whom are employed
4 within the state; in determining the number of eligible employees, companies that are
5 affiliated companies or that are eligible to file a combined tax return for purposes of
6 federal taxation, are considered one employer; except as otherwise specifically
7 provided, provisions of this chapter that apply to a small employer that has a health
8 benefit plan continue to apply until the plan anniversary following the date the
9 employer no longer meets the requirements of this definition;

10 * **Sec. 3.** Section 11(e), ch. 39, SLA 1993, is amended to read:

11 (e) Notwithstanding AS 21.56.070, enacted in sec. 5 of this Act, the board of
12 directors of the Small Employer Health Reinsurance Association shall provide the
13 report required under AS 21.56.070 to the director of the division of insurance
14 annually until December 31, 1999 [1997].