

Requirements for Small Employers 4

Small Employer Rating, Renewability and Portability Act

- Carriers must use a modified community rating, which is based on eligible employees' and dependents'
 - Gender
 - Age
 - Family composition
 - Tobacco use
 - Geographic area
- Small-group carriers may not modify the rate for a small employer for 12 months unless the composition of the group or the benefits are changed
- Any adjustments must be applied uniformly to all employees and dependents
- Adjustments may not be more than 15% from the approved rate, and renewal premiums may be raised up to 10% annually

Guaranteed issue – beginning January 1, 1993, every small-group carrier must offer all 2-50 person small-employers a standard health benefit plan and basic health benefit plan on a guaranteed-issue basis