

HOUSE BILL 3743

By Hawk

AN ACT to amend Tennessee Code Annotated, Title 56, Chapter 7, Part 22, relative to the Tennessee Small Employer Group Health Coverage Reform Act.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-7-2203, is amended by deleting subdivision (23) in its entirety and by substituting instead the following language:

(23) "Small employer" means any person actively engaged in business that, on at least fifty percent (50%) of its working days during the preceding year, employed no fewer than one (1) eligible employee and no more than twenty-five (25) eligible employees, the majority of whom are employed within this state; provided, however, that for purposes of participating in a health group cooperative, a "small employer" includes any person that, during the preceding year, employed no less than one (1) and no more than fifty (50) eligible employees and otherwise qualifies as a small employer pursuant to this subdivision (23). "Small employer" includes companies that are affiliated companies, as defined in § 56-13-102, or that are eligible to file a combined tax return under the Internal Revenue Code, compiled in title 26 of the United States Code. Except as otherwise provided, the provisions of this part that apply to a small employer shall continue to apply until the plan anniversary following the date the employer no longer meets the requirements of this section; and

SECTION 2. This act shall take effect July 1, 2012, the public welfare requiring it.