ORDER RESCINDING ORDER NO. 15-012-M
REGARDING AFFORDABLE CARE ACT LARGE GROUP MARKET
TRANSITIONAL POLICY

Under Michigan law, employers with between 51 and 100 employees are considered to be “large group” employers. However, the Affordable Care Act (ACA) required these employers to purchase coverage in the small group market as of January 1, 2016. On March 26, 2015, the Director entered Order No. 15-012-M, which established a transitional period by allowing these employer groups to purchase new large group coverage and to renew their existing coverage, under certain conditions.

On October 7, 2015, President Obama signed the Protecting Affordable Coverage for Employees Act (PACE Act). The PACE Act amends the ACA so that employers with 51 to 100 employees may still be considered “large group” employers and remain eligible to purchase and renew coverage in the large group market as they have done historically under Michigan law. As a result, there is no longer any need to provide a transitional period for employer groups with between 51 and 100 employees, and no need to impose the conditions enumerated in Order No. 15-012-M on the purchase or renewal of large group coverage for these employer groups. Accordingly, Order No. 15-012-M is no longer necessary.

THEREFORE, IT IS ORDERED that Order No. 15-012-M is rescinded, effective immediately.

Patrick M. McPharlin
Director