

One Hundred Fourteenth Congress  
of the  
United States of America

AT THE FIRST SESSION

*Begun and held at the City of Washington on Tuesday,  
the sixth day of January, two thousand and fifteen*

An Act

To amend title I of the Patient Protection and Affordable Care Act and title XXVII of the Public Health Service Act to revise the definition of small employer.

*Be it enacted by the Senate and House of Representatives of  
the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Protecting Affordable Coverage for Employees Act”.

**SEC. 2. REVISION OF DEFINITION OF SMALL EMPLOYER UNDER HEALTH INSURANCE MARKET PROVISIONS.**

(a) PPACA AMENDMENTS.—Section 1304(b) of the Patient Protection and Affordable Care Act (42 U.S.C. 18024(b)) is amended—

- (1) in paragraph (1), by striking “101” and inserting “51”;
- (2) in paragraph (2), by striking “100” and inserting “50”;

and

- (3) by amending paragraph (3) to read as follows:

“(3) STATE OPTION TO EXTEND DEFINITION OF SMALL EMPLOYER.—Notwithstanding paragraphs (1) and (2), nothing in this section shall prevent a State from applying this subsection by treating as a small employer, with respect to a calendar year and a plan year, an employer who employed an average of at least 1 but not more than 100 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.”.

(b) PHSA AMENDMENTS.—Section 2791(e) of the Public Health Service Act (42 U.S.C. 300gg–91(e)) is amended—

- (1) in paragraph (2), by striking “101” and inserting “51”;
- (2) in paragraph (4), by striking “100” and inserting “50”;

and

- (3) by adding at the end the following new paragraph:

“(7) STATE OPTION TO EXTEND DEFINITION OF SMALL EMPLOYER.—Notwithstanding paragraphs (2) and (4), nothing in this section shall prevent a State from applying this subsection by treating as a small employer, with respect to a calendar year and a plan year, an employer who employed an average of at least 1 but not more than 100 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.”.

H. R. 1624—2

(c) DEPOSIT OF SAVINGS INTO MEDICARE IMPROVEMENT FUND.—  
Section 1898(b)(1) of the Social Security Act (42 U.S.C. 1395iii(b)(1))  
is amended by striking “\$0” and inserting “\$205,000,000”.

*Speaker of the House of Representatives.*

*Vice President of the United States and  
President of the Senate.*