

Appendix One – Definitions

1. Eligible Employee

"Eligible employee" generally means an employee who works on a full-time basis with a normal work week of thirty (30) or more hours. At your sole discretion, "eligible employee" can include all full-time employees who work a normal work week anywhere between seventeen and one-half (17.5) and thirty (30) hours, as long as you apply the same eligibility criteria to all employees and without regard to any health status related factor.

The term "eligible employee" may include a self-employed individual, a sole proprietor, a partner in a partnership, and an independent contractor if any of those individuals are included as employees under your health benefit plan.

The term "eligible employee" does not include temporary employees, substitute employees, or employees who work less than seventeen and one-half (17.5) hours per week. Any retiree under contract with any independently incorporated fire district is also included in the definition of eligible employee.

2. Small Employer

"Small employer" means any person, firm, corporation, partnership, association, political subdivision, or self-employed individual that is actively engaged in business, including, but not limited to, a business or a corporation organized under the Rhode Island Non-Profit Corporation Act, Chapter 6 of Title 7, or a similar act of another state that, on at least fifty percent (50%) of its working days during the preceding calendar quarter, employed no more than fifty (50) eligible employees, with a normal work week of thirty (30) or more hours, the majority of whom were employed within this state, and is not formed primarily for purposes of buying health insurance and in which a bona fide employee-employer relationship exists. In determining the number of eligible employees, companies that are affiliated companies, or that are eligible to file a combined tax return for purposes of taxation by this state, shall be considered one employer.