

IC 27-16-8

Chapter 8. Benefit Plans

IC 27-16-8-1

Client and PEO considered employer for purposes of retirement and welfare benefits

Sec. 1. A client and a PEO are each considered to be an employer for purposes of sponsoring retirement and welfare benefit plans for covered employees.

As added by P.L.245-2005, SEC.7.

IC 27-16-8-2

Fully insured welfare benefit plans

Sec. 2. A fully insured welfare benefit plan offered to covered employees of a single PEO is:

- (1) considered to be a single employer welfare benefit plan; and
- (2) not a multiple employer welfare arrangement (as defined in IC 27-1-34-1(b)) and is not required to comply with IC 27-1-34.

As added by P.L.245-2005, SEC.7.

IC 27-16-8-3

Covered employees considered to participate in single employer plan

Sec. 3. For purposes of IC 27-8-15, all covered employees of a PEO participating in a group health benefit plan sponsored by the PEO are considered to be:

- (1) employees of the PEO; and
- (2) participating in a single employer plan.

As added by P.L.245-2005, SEC.7.

IC 27-16-8-4

Health benefit plan offered by PEO

Sec. 4. If a PEO offers to the PEO's covered employees a health benefit plan that is not fully insured by an insurer authorized under this title to conduct the business of insurance in Indiana, the health benefit plan must:

- (1) be administered by an administrator licensed under IC 27-1-25;
- (2) hold all plan assets, including participant contributions, in a trust account;
- (3) provide sound reserves for the health benefit plan as determined using generally accepted actuarial standards as set forth in an actuarial opinion filed with the commissioner and prepared and signed by a qualified actuary who:
 - (A) is a member in good standing of the American Academy of Actuaries; and
 - (B) meets the requirements established by the commissioner in rules adopted under IC 4-22-2;
- (4) annually submit current audited financial statements to the commissioner;

(5) at the discretion of the commissioner, possess a written commitment, binder, or policy for stop-loss insurance:

(A) issued by an insurer authorized to conduct the business of insurance in Indiana; and

(B) that meets any specific and total coverage requirements established by the commissioner in rules adopted under IC 4-22-2;

(6) be subject to audit for compliance with the requirements of this section by the department on a random basis or upon a finding of reasonable need; and

(7) provide written notice to each covered employee participating in the health benefit plan that the health benefit plan is:

(A) self-insured or not fully insured; and

(B) subject to the federal Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.).

As added by P.L.245-2005, SEC.7.