



PEIA Local Fund Participation Standard

March 11, 2026

Effective FY 2027

Definitions:

1. Local Fund Employer: All employers participating in PEIA per W. Va. Code Section 5-16-22, excluding Non Participating employers.
2. Benefit Eligible Employee: Any employee of a local fund employer that meets the definition of an employee per W. Va. Code Section § 5-16-2 and W. Va. 151 CSR 01 that is not Medicare primary, or Medicaid covered and chooses not to take PEIA coverage, or is covered by PEIA through a spouse or parent's policy.
3. Reporting period: The reporting period shall be defined as the immediate past State fiscal year - July 1 to June 30.

Policy:

1. All participating employers of the PEIA Local Fund must have 50% of their benefit eligible employees covered by PEIA health insurance.

Procedures:

1. Starting with FY 2027, pursuant to West Virginia Code §5-16-12a(a), all Local Fund employers will be required to provide PEIA with the following information by September 30, 2026 via legal affidavit (See Appendix A of this policy):
 - a. Their average number of benefit eligible employees for the past state fiscal year (example: total benefit eligible employees who were employed at any time between July 1, 2025 and June 30, 2026 divided by twelve equals the average number of benefit eligible employees per month),
 - b. Their current aggregate employer premium contribution for PEIA/RHBT eligible employee health insurance (September employer premium contribution divided by the total September PEIA health premium plus the September employer RHBT 'paygo' billing equals current aggregate employer premium),
 - c. Total number of PEIA active employee health insurance policies per the September PEIA billing.
 - d. Percentage of benefit eligible employees covered by PEIA (total number of PEIA active employee health insurance policies divided by the average number of benefit eligible employees).

- e. Any employer below the 50% participation standard will be notified that a 50% improvement in its participation rate should be accomplished by July 1, 2027 and that the employer must achieve full compliance with the 50% standard no later than July 1, 2028.
2. In the event an employer fails to complete and submit the required participation standard affidavit referenced above no later than October 30, 2026, PEIA will notify the employer that its eligibility to participate in the PEIA plans will terminate on June 30, 2027 due to its failure to submit said affidavit.
3. Effective with the FY 2029 plan year, all local fund employers in PEIA must achieve full compliance with the 50% participation standard.
4. Failure to achieve full compliance with the 50% participation standard by July 1, 2028 will result in the employer's termination from the PEIA plans on June 30, 2029. Local Fund employers will continue to be reviewed on an ongoing basis from July 1, 2028 forward to ensure compliance with this policy.
 - a. An employer agency shall be provided a thirty (30) day notice of PEIA's intent to terminate the employer coverage(s). It shall be the employer agency's responsibility to notify any and/or all affected members.
 - b. Upon receipt of the notice of intent to terminate the employer agency's coverage, within fifteen (15) days of the notice, the to-be-terminated agency may file a written appeal of the termination to the Director. The written appeal must contain a detailed reason for the appeal and the specific relief sought.
 - c. The decision to terminate an employer agency shall reside with the Director or his/her designee. If a decision to terminate an employer agency is made, the employer agency shall receive a Notice of Termination in writing stating the reason for termination and the effective date of termination.
 - d. If an employer agency is terminated from the PEIA plans due to its failure to comply with the 50% participation standard, the employer agency may apply for re-enrollment within 6 months of the effective date of termination.
 - e. The process for re-enrollment shall include a written letter to the Director requesting re-enrollment accompanied by an attestation that the employer agency is now in compliance with this Standard. Documentation supporting compliance must be submitted as part of the request for re-enrollment application.
5. Pursuant to W. Va. Code § 5-16-12a(a), PEIA may request annual confirmation of a local fund employer's participation rate via procedure 1 of this policy and proceed as it deems necessary.
6. PEIA reserves the right to verify data received via the affidavit including, but not limited to applicable payroll data, human resource documents, IRS forms, or other recognized audit procedures.



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Authority:

- 1) W. Va. Code § 5-16-1 et seq.
- 2) W. Va. 151 CSR 01
- 3) Patient Protection and Affordable Care Act, Pub. L. No. 111-148, 124 Stat. 119 (2010).
- 4) United States Department of Labor, Employer Shared responsibility - [Employer Shared Responsibility | U.S. Department of Labor](#)
- 5) U.S. D.H.H.S. Guidance on Insurance Cancellations - <https://www.hhs.gov/healthcare/about-the-aca/cancellations-and-appeals/index.html>
- 6) Healthcare.gov Guidance on Insurance Cancellations - <https://www.healthcare.gov/health-care-law-protections/cancellations/#:~:text=Insurance%20companies%20must%20give%20you%20at%20least,You%20don't%20pay%20your%20premiums%20on%20time>



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APPENDIX A: Local Fund Participation Standard Compliance Affidavit

I, (Name and Title) _____, as an official having the authority to sign on behalf of, and to bind my PEIA participating Employer agency, (Name of Employer Agency) _____, do hereby swear and affirm that the Employer agency:

(Enter Initials if applicable) _____ **meets the outlined eligible employee participation standard** as outlined in the PEIA policy, to wit: at least 50% of the Eligible employees are enrolled in PEIA coverage, i.e. _____ out of _____ Eligible employees are enrolled.

(Enter Initials if applicable) _____ **does not meet the outlined eligible employee participation standard** as outlined in the PEIA policy, to wit: less than 50% of the Eligible employees are enrolled in PEIA coverage, i.e. _____ out of _____ Eligible employees are enrolled.

(Name of Employer Agency) _____ contributes _____% aggregate to the cost(s) of PEIA employee health insurance(s) for our eligible employee(s), i.e. *The Town/City of XYZ contributes 80% aggregate to the cost(s) of PEIA employee health insurance(s) for our employee(s).*

The undersigned, after being first duly sworn upon oath or affirmation, hereby declare under penalty of false swearing pursuant to West Virginia Code §61-5-2 that I have read and understand this Affidavit, and that the statements made herein are true and accurate to the best of my knowledge.

Signature

Title

State of West Virginia: County of: _____

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____ has acknowledged the same before me upon his/her oath or affirmation this the _____ day of _____, 20_____.

Signature of Notary Public: _____

Stamp



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