

# PUBLIC SUBMISSION

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**Docket:** EBSA-2018-0001

Definition of Employer Under Section 3(5) of ERISA-Association Health Plans

**Comment On:** EBSA-2018-0001-0001

Definition of Employer Under Section 3(5) of ERISA-Association Health Plans

**Document:** EBSA-2018-0001-DRAFT-0358

Comment on FR Doc # 2017-28103

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## Submitter Information

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## General Comment

February 28, 2018

Mr. Alexander Acosta

Secretary of Labor

U.S. Department of Labor

900 Constitution Avenue NW

Washington, D.C. 20210

Re: Definition of Employer under Section 3(5) of ERISA-Association Health Plans;  
RIN 1210-AB85 or Docket ID No. 2017-28103 (submitted electronically)

Dear Secretary Acosta:

The Reading-Berks Association of REALTORS represents over 900 members across Berks County, Pennsylvania. As self-employed individuals, it is often difficult for real estate professionals to find affordable health care coverage when costs are continually

rising and insurance options are diminishing. The Department of Labor's notice of proposed rulemaking has the potential to increase health insurance options, which is greatly welcomed by real estate professionals and their families.

One of our REALTOR members submitted the following story: In 2017, my husband and I, a self-employed couple, paid \$25,691 in premiums and had another \$10,000 in exposure. This year, like the past couple years, our plan was no longer being offered, forcing us to choose a much less desirable plan, at approximately the same cost or higher. In 2018, we will pay \$20,906 in premiums, with over \$14,000 in additional exposure. Additionally, we will be limited to using only doctors and hospitals in the network, which is alarming. We need a health plan that is more sustainable and our association could offer it if allowed.

The rule proposes to provide more affordable choices for independent contractors by modifying the definition of employer to include working owners. This is essential to enabling real estate professionals to participate in an AHP in the large group market, rather than being forced to purchase in the more costly and volatile individual insurance market. Large group plans typically have more flexibility in plan design and offer greater negotiating power to bargain for lower premiums and benefits that are key to reducing health care costs. The rule would also protect consumers enrolling in these plans by prohibiting discrimination based on health status.

However, the proposed rule includes provisions that may restrict many self-employed persons from seeking more affordable insurance in an AHP. For example, working owners are excluded from eligibility if they have an offer of coverage from a spouse's employer subsidized group health plan. Coverage available through a spouse's employer may not be the most affordable option for a family. Eliminating this requirement will provide more insurance choices for many real estate professionals and their families.

The need for affordable health insurance options remains a top concern among practicing real estate professionals. Allowing working owners to participate in AHPs will offer new options for health insurance coverage, providing much needed relief that will support the real estate industry as a whole. Ensuring the proposed rule does not impose burdensome, unnecessary requirements on working owners is also essential.

Thank you for the opportunity to comment on this proposed rule.

Sincerely,

Wesley T. Stefanick  
Director, Government and Community Affairs  
Reading-Berks Association of REALTORS