

PUBLIC SUBMISSION

Received: February 26, 2018
Status: Pending_Post
Tracking No. 1k2-91pt-118m
Comments Due: March 06, 2018
Submission Type: API

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-0269

Comment on FR Doc # 2017-28103

Submitter Information

Name: One Acord, LLC Anonymous

Address: United States,

Organization: One Acord, LLC

General Comment

My company currently obtains health coverage through an AHP. Association Health Plans offer small and medium sized businesses a way to offer compressive and affordable benefits to their employees. Being able to provide these benefits are crucial as it allows companies to compete for talent.

While the Departments proposed rule aims to expand AHPs, there are several aspects that will cause AHPs to not be able to expand and defeat the Administrations goal in revising. The Department needs to incorporate changes into the final rule:

Sponsoring Organizations must be Reputable. The Department must require AHPs only to be offered if there is a pre-existing sponsoring organization. This will prevent/deter fraud and abuse that likely will arise if regulations are loosened as proposed. Organizations should be required to have been in existence for at least 5 years to sponsor AHPs. Additionally, all such organizations should be required to have an active tax-exempt status.

Allow Implementation Time. Ensure that there is ample time for implementation (When there are regulatory changes, Insurance companies will likely inflate prices due to unknowns), by making the effective date 2020 or later.

Including Working Owners. Amend the rule to allow for AHPs to include, at their discretion, sole-proprietors or working owners. The ACA forced AHPs to exclude working owners. This rule should not dictate that they must be included, but should allow AHPs to respond to their member needs and include as they see fit and what works for their business needs/ market demands.

Rating at Employer-Level. Non-discrimination rules need to be in place that are favorable to small-businesses, including allowing rate setting at the employer-level using claims cost. Failure to correct this in the final rule will result in cross-subsidization that the Administration has shown time and time again it is fervently against. This provision seems to undermine the entirety of the rule and the stated goal of making AHPs competitive and expanding offerings to more Americans. At a minimum, existing bone fide plans should be exempt from this new interpretation of existing non-discrimination provisions.