



New York State Association of REALTORS®, Inc.

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March 2, 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 New York State Association of REALTORS®, Inc. represents approximately 56,000 hardworking members, the majority of whom are independent contractors. As self-employed individuals, it is often difficult for real estate professionals to find affordable health care coverage.

Our members report continually rising premium costs which force many to reduce coverage options and/or pay higher deductibles. Far too many cannot afford any coverage at all and simply hope that they do not suffer a catastrophic illness.

Our members report insurance premiums approaching and sometimes in excess of \$1,000 per month. Deductibles are routinely in the \$5,000 range. According to the most recent data, the median gross income for a REALTOR in New York State is \$30,000. It is not difficult to see how impactful insurance costs are in the Empire State.

We understand the many complicated issues that surround affordable health insurance reform, but we believe that 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.

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 – 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.

CJ DeVecchio
President

Moses Seuram
President-Elect

Jennifer Stevenson
Secretary/Treasurer

Duncan R. MacKenzie
Chief Executive Officer

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,

A handwritten signature in blue ink, appearing to read "Duncan R. MacKenzie". The signature is stylized and includes a circular flourish at the end.

Duncan R. MacKenzie, CEO