



March 5, 2018

Office of Regulations and Interpretations
Employee Benefits Security Administration
Room N-5655
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210,

Attention: Definition of Employer—Small Business Health Plans RIN 1210-AB85.

I am pleased to provide the following comments in response to the U.S. Department of Labor’s proposed rule on the “Definition of Employer – Small Business Health Plans” on behalf of the Home Care Association of America (HCAOA).

Founded in 2002, the HCAOA is the home care industry’s leading trade association – currently representing over 2,800 companies that employ more than 500,000 caregivers across the United States. Home care, including companion and personal care services, assists seniors and individuals with disabilities in remaining in their homes as long as possible at a more affordable cost than institutionalized care. It is through this community of members that the HCAOA has championed quality home care services and support of family caregivers.

HCAOA applauds the Department’s efforts to allow associations of all types to provide health insurance to members through Association Health Plans (AHPs). The home care industry is made of providers of varying sizes and geographical reach. Much of the industry is represented by small employers with a range of full and part-time employees which find it increasingly difficult to offer health insurance coverage. HCAOA would be one example of an association that may be able to expand health coverage for its members and their employees under this proposed rule.

Small businesses that constitute the backbone of our national workforce face ever-increasing health insurance costs, if they can even afford to offer it at all. By forming AHPs, membership organizations will allow businesses to aggregate workforces and take advantage of the flexibility and lower costs that are currently available only to large employers. Small businesses could thus offer more competitive benefits, allowing them to compete with large employers to retain and recruit employees, and expend more of their limited managerial resources on the

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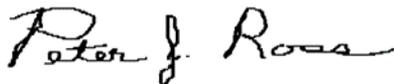
important business of running their businesses. The economies of scale that an AHP could produce would allow the association to offer more comprehensive coverage than members could afford on their own, implement realistic risk pooling, and minimize compliance cost.

HCAOA agrees with others who feel preemption of state health insurance laws and regulations must be clearly stated in the proposed rule. The viability of an AHP will be severely constrained if the AHP must comply with the myriad of differing regulations in each state. While an AHP within a single jurisdiction might be successful, most industries and professions cross many state lines. To serve its members, the AHP would then have to offer several different plans, at different costs and with escalating compliance requirements. It might thus be more difficult for an AHP to achieve the economies of scale needed to thrive.

HCAOA appreciates that the proposed rule would maintain current employee protections by preserving nondiscrimination provisions under the Health Insurance Portability and Accountability Act (HIPAA) and the ACA with regard to association health plans. We also appreciate that it clarifies that an association health plan cannot restrict coverage of an individual based on any health factor.

Again, HCAOA welcomes the Department's proposed regulations since we believe that AHPs can help provide better benefits at lower costs, especially for small employers who have few viable options in covering their employees.

Sincerely,

A handwritten signature in cursive script that reads "Peter J. Ross".

Peter Ross
President