



National Auctioneers Association

8880 Ballentine • Overland Park, Kansas 66214-1985 • P: (913) 541-8084 • F: (913) 894-5281 • www.auctioneers.org

March 2, 2018

The Honorable R. Alexander Acosta
Secretary of the U.S. Department of Labor
200 Constitution Ave. NW
Washington, D.C. 20210

Dear Mr. Secretary,

With the issuance of President Trump's October 2017 executive order calling for changes to the American healthcare system, including the legalization of Association Health Plans (AHPs), the National Auctioneers Association believes that many factors must be considered before the final adoption of Regulatory Identifier Number (RIN) 1210-AB85.

With the adoption of RIN 1210-AB85, up to 11 million Americans working for small businesses and sole proprietorships who are currently without employer-sponsored insurance could find new and potentially more affordable healthcare opportunities. With the ability to spread out risk and administrative costs over a bigger pool of participants, larger groups have greater bargaining power when it comes to self-insuring and seeking affordable policies. Additionally, because they are viewed as stable and accountable entities, associations also make for an attractive partner to insurance companies.

Conversely, the NAA believes that there are potential weaknesses in the current proposal that could adversely impact small businesses and American workers. According to America's Insurance Plans, which represents the nation's major insurers, proposed changes could actually lead to higher prices and weaker consumer protection in the small group and individual markets. Likewise, consumer groups and insurance experts have cautioned that AHPs may cause an increase in value policies and plans. In particular, we are concerned that plans available to associations may be limited to "limited coverage" or "value" plans. Based on our research, we are concerned that available plans will limit what they offer since insurance companies will be unable to charge higher premiums or deny coverage (e.g. while a company cannot deny coverage to cancer or mental health patients, insurers can refuse to cover chemotherapy or mental health treatment respectively). With AHPs likely to be marketed toward the healthiest, youngest individuals, there is a need to ensure that there are also adequate and affordable plans for associations with members that are predominantly older and/or have chronic illness. None of these weaknesses are challenges that cannot be overcome, but we strongly urge consideration when issuing new regulations. We should not be limited in the type of coverage that is offered.



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Finally, the NAA calls on the Department of Labor to define what constitutes an association. A lack of definition could negatively impact existing reputable associations as ill-equipped individuals or organizations create associations just to take advantage of AHP insurance options. It is important as a lack of clarity could leave American workers without insurance due to insolvency, bankruptcy or fraud.

Overall, the NAA supports RIN 1210-AB85 as it has the potential to positively impact small businesses. It is our hope that the Department of Labor will consider the positive implications of the rule and address its weaknesses in order to best meet the insurance needs of auction professionals all over the country.

Thank you,

A handwritten signature in black ink that reads 'Scott H. Shuman'.

Scott H. Shuman, CAI
President

A handwritten signature in black ink that reads 'Hannes Combest'.

Hannes Combest, CAE
Chief Executive Officer

cc: Congressman Jeff Duncan, Congressman Billy Long