

2018 FORM M-1 BULLETIN



U.S. Department of Labor
Employee Benefits Security Administration

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EXECUTIVE SUMMARY

The Department of Labor (the Department) requires multiple employer welfare arrangements (MEWAs) and entities claiming exception (ECEs) (together “entities”) that provide medical benefits to report information on their entities through the Form M-1. This important information helps both the Department and State insurance regulators protect consumers by identifying new entrants in states, growth in these entities, solvency risks, and other relevant concerns.

The 2018 Bulletin focuses on MEWAs and ECEs that provided benefits during and/or started operations in 2018. This bulletin examines data for the 2018 Form M-1 filing population, but draws distinctions between filings for MEWAs and ECEs to indicate their intent to begin operations in 2018, filings made in 2018 regarding changes to the MEWAs and ECEs, and 2018 annual filings (that were submitted after the 2018 year ended). In addition, the Department has revised the time period included for non-annual reports to better reflect the operating year those filings referenced and to capture the newly formed MEWAs and ECEs that indicated their intention to begin operations in 2018. This differs from the 2017 Form M-1 Bulletin, which generally used all filings that submitted a 2017 Year Form, regardless of its purpose or filing date, or fiscal year filings for entities that operated for at least 6 continuous months in 2017. As a result, this bulletin is not directly comparable to the 2017 Form M-1 Bulletin.

Statistics in this report include the number of unique filers, reasons for filing, total participants covered, states in which entities are operating, funding, and types of service providers. The various tables and graphs presented in this bulletin provide a snapshot of Statistical Year 2018 Form M-1 filings, which the Department defines as Form M-1 filings for which:

- Entities indicated they began operations and submitted their Form M-1 during 2018;
- Entities indicated a change in their filings which occurred during 2018; and
- Entities indicated having operated from January 1 to December 31, 2018, or in a fiscal year with at least 6 continuous months in 2018.

The key statistics regarding the 2018 Form M-1 population are:

- There were 936 Form M-1s included in the 2018 Statistical Year population, the vast majority (90 percent) of which were filings for Plan MEWAs. Fifty-two percent of the total filings were submitted in February and March of 2019, consistent with the annual report’s March 1 filing deadline, though filings that referenced Statistical Year 2018 were submitted as early as July 2017 and as late as March 2021.
- Entities may file multiple Form M-1s in a given year to meet their M-1 annual report filing requirement, but also to notify the Department of new or changing service providers, expansions into new states, a substantially different number of participants, mergers with other entities, and other material changes. While the vast majority of entities (76 percent) submitted a single filing, 24 percent submitted multiple filings, including a single MEWA that submitted six Form M-1s for Statistical Year 2018. As a result, the 936 filings are comprised of only 706 unique entities, of which 640 (91 percent) were Plan MEWAs.

- Entities may also indicate multiple reasons for filing a Form M-1. Seventy-nine percent of all Statistical Year 2018 filings indicated annual reports as one of their filing reasons, with MEWA Registrations (19 percent) as the second most indicated reason.
- While MEWAs and ECEs that filed Form M-1s during the period covered by this report operated in all states and U.S. territories, these entities were most often headquartered in California, Texas, Washington, or Oregon. Twenty-nine entities began operating in a new state in Statistical Year 2018, with Florida, Massachusetts, and Texas gaining the most new entrants.
- Most MEWAs that submitted an annual report indicated they were fully insured in 2018, with 73 percent of Plan MEWAs and nearly 63 percent of Non-Plan MEWAs indicating being fully insured in all states. ECEs were much less likely to be fully insured in all states, with 47 percent of ECEs reporting that funding status. Of entities that indicated they were not fully insured in at least some states, 75 percent had stop-loss insurance and 63 percent engaged an actuary for their benefit design.
- MEWAs and ECEs reported a total of 2.2 million participants on their annual reports in Statistical Year 2018. Approximately 88 percent of these participants were in Plan MEWAs. However, while MEWAs are required to file each year, ECEs are generally only required to file for their first 3 years of operation; thus the total number of participants in all ECEs is not reported in this bulletin. While there were far fewer ECE filings, the average ECE reported nearly twice as many participants as the average MEWA.

TERMINOLOGY

- **Additional Filings:** The Form M-1 and its instructions require entities to submit multiple filings during a plan year based on the occurrence of certain events. It is possible the entity would use different year M-1 Forms in the same calendar year. In this report, the Department identifies any subsequent filings, regardless of the purpose, as additional filings.
- **Employer Identification Number (EIN):** An EIN is a unique identification number assigned to an entity by the Internal Revenue Service. Several sections of the Form M-1 require EIN reporting for identification purposes.
- **Entity:** Entity refers to all types of filers of the Form M-1, including Plan MEWAs, Non-Plan MEWAs, and ECEs.
- **Entity Claiming Exception (ECE):** An entity that claims it is not a MEWA on the basis that the entity is established or maintained pursuant to one or more agreements that the U.S. Secretary of Labor finds to be collective bargaining agreements within the meaning of the Employee Retirement Income Security Act of 1974 (ERISA) section 3(40)(A)(i) and accompanying regulations at 29 CFR 2510.3–40.
- **Filing:** In this report, the Department identified individual filings by their unique Form ID number. Each Form M-1 filing is assigned a unique Form ID number.
- **Filing Date:** The calendar day an entity submits a Form M-1 filing.
- **Filing Purpose:** There are seven purposes for filing a Form M-1, and a single filing may satisfy multiple purposes. Additionally, ECE Originations, ECE Special Filings, and MEWA Registrations could require supplemental information for certain events. The seven filing purposes are:
 - **Annual:** An annual report is the annual filing MEWAs and certain ECEs are required to submit by March 1. For ECEs, the annual filing is required for the first 3 years after an origination.
 - **Amended:** MEWAs and ECEs submit an amended report to correct errors and/or omissions on a previously filed Form M-1.
 - **Extension:** The Department may grant a one-time extension and provides the filer 60 days beyond the deadline to complete and submit Form M-1. The extension request form must include responses to the purpose of filing as well as information about the administrator and sponsor in the “Custodial and Financial Information” section of the Form M-1.
 - **ECE Origination:** A filing submitted 30 days before the ECE begins operating, or within 30 days of the ECE merging with another ECE or increasing participant numbers by 50 percent or more since the end of the previous calendar year.
 - **ECE Special Filing:** A filing submitted within 30 days of a special event, which includes knowingly operating in any additional state or experiencing a material change.
 - **MEWA Registration:** A filing submitted 30 days before the MEWA begins operating or within 30 days after the MEWA merges with another MEWA, expands coverage into a new state, experiences an increase in the number of participants by 50 percent or more since the end of the previous calendar year, or undergoes a material change.
 - **Final Report:** A final report filing generally indicates that the MEWA or ECE does not intend to file a Form M-1 in the following year due to entity termination. Alternatively, an ECE may indicate a final filing on its third annual report filing following an ECE origination filing. In that instance, absent a change in circumstances, the ECE is no longer required to file an annual Form M-1 while it continues to operate.
- **Form Year:** The Form M-1 is updated and released annually. The form year is the year designated on the Form M-1 (e.g., 2018 Form M-1).

- **Fully Insured:** In this report, the Department identifies entities as fully insured when they report all states listed in Part II 17a as fully insured in Part II 17g for each state.¹ (See Table 2A in Appendix)
- **Headquarters:** The geographic location of the address the MEWA or ECE reports on the Form M-1, in Part II 1a, which the Department interprets as the entity’s headquarters.
- **Insurance Provider:** The company that provides insurance to the entity. Entities report insurance providers for each state in Part II 17.
- **Medical Benefits:** Coverage for the diagnosis, cure, mitigation, treatment, or prevention of disease, or amounts paid for the purpose of affecting any structure or function of the body as well as transportation primarily for and essential to the actions listed above.²
- **Multiple Employer Welfare Arrangement (MEWA):** An employee welfare benefit plan or other arrangement that provides welfare benefits to the employees of two or more unrelated employers as defined in ERISA section 3(40)(A).³
- **Non-Plan MEWA:** A Non-Plan MEWA does not meet the ERISA definition of an “employee welfare benefit plan” under section 3(1) of ERISA, but does meet the definition of a MEWA. Typically, non-plan MEWAs cover a collection of separate employee welfare benefit plans maintained by individual employers.
- **Participant:** ERISA section 3(7) defines “participant” as “any employee or former employee of an employer, or any member or former member of an employee organization, who is or may become eligible to receive a benefit of any type from an employee benefit plan.”
- **Plan MEWA:** A MEWA that also meets the ERISA definition of “employee welfare benefit plan” under section 3(1) of ERISA.⁴
- **Plan Number (PN):** The PN is a three-digit number that is self-assigned by the plan administrator for the entity. On Form M-1, the PN is reported in Part II 1d to distinguish among different plans that use the same EIN.
- **Statistical Year:** The 2018 Statistical Year refers to the specific time period of filings included in this bulletin. Since timing requirements for filings vary depending on the specific filing purpose, the time period criteria is slightly different for the annual vs. non-annual report filings. For Began Operating or other registration, origination, or special filings, the reference period is all filings submitted during calendar year 2018. For annual reports, an entity has a 2018 Statistical Year if it operated from January 1 to December 31, 2018, or in a fiscal year with at least 6 continuous months in 2018. The following table shows examples of potential operating years and the associated statistical year.

If, for example, the Entity follows:	The Statistical Year is:
Calendar Year Jan. 1–Dec. 31, 2018	2018
Fiscal Year Apr. 1, 2017–Mar. 31, 2018	2017
Fiscal Year July 1, 2017–June 30, 2018	2018
Fiscal Year Apr. 1, 2018–Mar. 31, 2019	2018

¹ See Form M-1 Report for MEWAs and ECEs, <https://www.dol.gov/sites/dolgov/files/ebsa/employers-and-advisers/plan-administration-and-compliance/reporting-and-filing/forms/m1-2018.pdf>.

² See 29 C.F.R. § 2590.701-2, <https://www.law.cornell.edu/cfr/text/29/2590.701-2>.

³ See 29 U.S.C. § 1002(40). Section 3(40) sets forth certain exceptions from this definition.

⁴ See 29 U.S.C. § 1002(1).

Since Form M-1 annual reports are required for all MEWAs and some ECEs (depending on how long the ECE has been filing), the annual report statistics for the 2018 Statistical Year give an indication of the number of entities that actively provided benefits for 6 continuous months or more during the period from January 1 to December 31, 2018.

INTRODUCTION

Multiple employer welfare arrangements (MEWAs) are entities that offer or provide welfare benefits (e.g., health, disability, or life insurance benefits) to the employees of two or more employers. Administrators of MEWAs that provide *medical benefits* must electronically file the Form M-1 with the Department of Labor (the Department) annually and following certain events, such as expansion into a new state, regardless of whether the entity is a group health plan.

An entity claiming exception (ECE) is an entity that *claims* it is not a MEWA on the basis that the entity is established or maintained pursuant to one or more agreements that the Secretary of Labor (the Secretary) finds to be collective bargaining agreements. Under section 3(40)(A)(i) of the Employee Retirement Income Security Act of 1974 (ERISA), the term MEWA does not include any plan or arrangement which is established or maintained under or pursuant to one or more such collective bargaining agreements.⁵ Administrators of ECEs that provide *medical benefits* must file for the first 3 years after origination and following certain events, such as expansion into a new state, a participant increase of 50 percent or more, or a material change.⁶

Form M-1 reporting is required under the authority of sections 101(g), 104(a), 505, and 734 of ERISA, as amended, and 29 C.F.R. §§ 2520.101-2 and 103-1. The Form M-1 collects important information about individuals and entities that are responsible for:

1. sponsoring or managing operations of MEWAs or ECEs that offer medical benefits; and
2. providing services to a MEWA or ECE that offers medical benefits, such as benefits administration, actuarial, and asset management services.

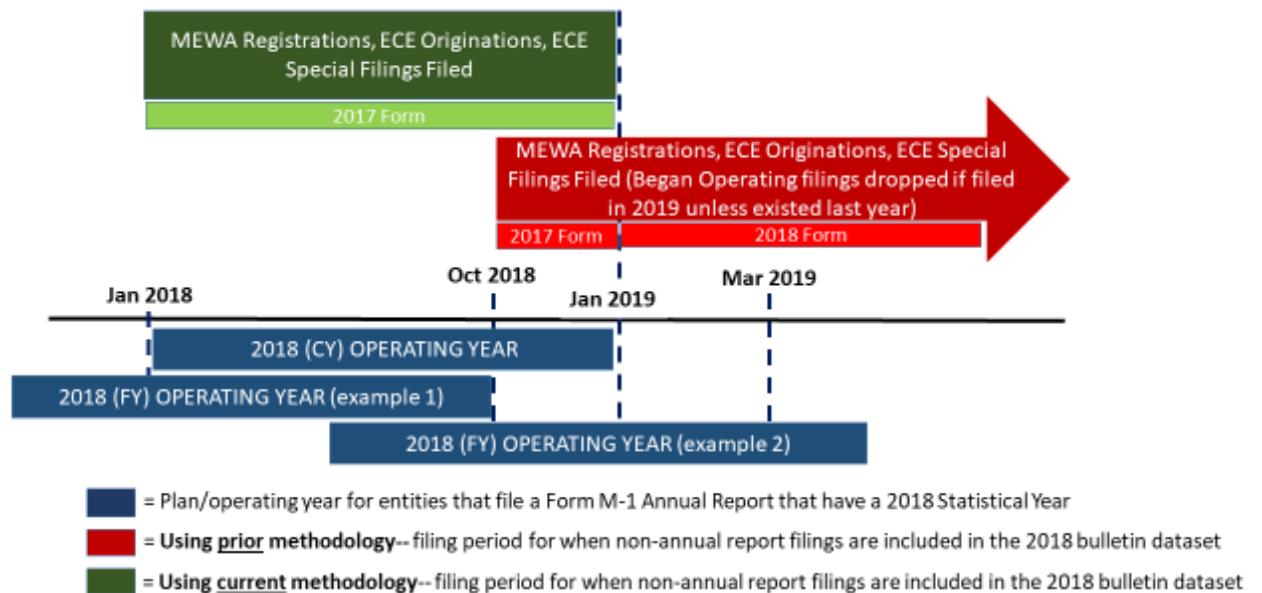
Information provided through the Form M-1 includes custodial and financial information, the number of participants covered, the states the entity operates in, insurance carriers, and compliance with various health regulations. Form M-1 reporting provides critically important information that helps both the Department and State insurance regulators protect consumers by identifying new entrants in states, growth in these entities, solvency risks, and other relevant concerns.

This bulletin provides a snapshot of MEWAs and ECEs that filed a Form M-1 regarding Statistical Year 2018. For the 2018 Form M-1 Bulletin, the Department revised the filing time period for non-annual reports to better reflect the operating year those filings referenced and to capture the newly formed MEWAs and ECEs that indicated their intention to begin operations in 2018. As a result, this bulletin is not directly comparable to the 2017 Form M-1 Bulletin. Figure 1 below depicts of the difference in the filing periods for non-annual reports using last year's methodology, compared to the methodology for this year's bulletin.

⁵ The Department issued a regulation setting forth criteria that represent a finding by the Secretary whether an arrangement is an employee welfare benefit plan established or maintained under or pursuant to one or more collective bargaining agreements. See 29 C.F.R. § 2510.3-40.

⁶ ECEs are only required to file upon origination and in each of the 3 years thereafter, or due to a special filing event. The number of ECE filings during a given year likely significantly understates the number of ECEs that provide medical benefits to participants 29 C.F.R. § 2520.101-2(b)(9), (11), (e)(1).

Figure 1: 2018 Form M-1 Bulletin Non-Annual Report Filing Periods, Depicting Methodological Change



A 2018 Form M-1 Annual Report, though filed in 2019, provides information pertaining to the 2018 operating year for MEWAs and ECEs. In order to be consistent, this revised methodology now reports on registration, origination, and special filing events that occurred during the 2018 operating year (see Section I: Total Filings, Number of Filings, and Filing Purposes for more information about the required timing of these filing events). For example, if a MEWA had a 50 percent or greater increase in participants in June of its 2018 operating year, the MEWA would be required to notify the Department of this change within 30 days of it occurring. As such, this registration filing would need to occur no later than July 2018. By shifting the timing requirements of special filings events to be for those filings submitted during 2018, this bulletin better captures the activity of entities with a 2018 Statistical Year.

The Form M-1 filings required by entities that are expressing an intent to begin operations are harder to link directly to the activity of entities that are operating during 2018. Because “Began Operating filings” (as they are referred to throughout the report) are not required to indicate when the entity will begin offering health benefits, the timing of the filing is only an approximation of when an entity will begin its operating year. In order to capture valuable information about the MEWAs and ECEs that are newly forming, the Department simplifies this in its time period criteria by including these newly formed entities that file during calendar year 2018.

Because a unique MEWA or ECE may submit multiple Form M-1s in a single year, looking only at the number of filings or most recent filings may overstate the number of these entities and mask changes in their funding type, state distributions, and the number of participants. Also, because ECEs are not required to file in every year, this bulletin significantly understates the total number of ECEs and participants in entities that qualify as ECEs. The Department will make clear in this bulletin when it has deviated from simply reporting filings.

Section I of this bulletin presents the total number of filings and the number of unique entities for Statistical Year 2018. Section II focuses on entities that indicated they began operating in 2018. Section III presents information on MEWA Registrations, ECE Originations, ECE Special Filings, and entities indicating material changes in 2018. Section IV describes annual reports, including information on service providers, funding, and participant counts.

SECTION I: TOTAL FILINGS

There are three types of entities that are required to file a Form M-1: Plan MEWAs, Non-Plan MEWAs, and certain ECEs. In a Plan MEWA, multiple employers join together to form a single plan that meets the ERISA definition of an employee welfare benefit plan. In general, a Non-Plan MEWA is an arrangement involving a collection of underlying employee welfare benefit plans sponsored by individual companies that provide their benefits through a MEWA. An ECE is an entity that claims it is not a MEWA on the basis that the entity is established or maintained pursuant to one or more agreements that the Secretary finds to be collective bargaining agreements within the meaning of ERISA section 3(40)(A)(i).⁷

Different types of entities have different requirements for filing the Form M-1. Administrators of MEWAs that provide medical benefits must file a Form M-1 annually. The administrator of an ECE that provides medical benefits must file a Form M-1 in each of the first 3 years after the ECE originates. Additional filings may be required due to structural changes, expansion into new states, substantial changes in the number of participants, switching service providers, or other material changes. In 2018, there were 936 Form M-1 filings. Plan MEWAs submitted the vast majority (89.5 percent) of those filings. Non-Plan MEWAs and ECEs represented just 6.7 percent and 3.7 percent of filings, respectively.

Table 1: Form M-1 Filings by Entity Type, Total Filings for Statistical Year 2018

Entity Type	Filing Count	Share
Plan MEWA	838	89.5%
Non-Plan MEWA	63	6.7%
ECE	35	3.7%
Total	936	100.0%

Note: Percentages will not total 100% due to rounding.

⁷ See 29 C.F.R. § 2510.3-40.

NUMBER OF FILINGS AND FILING PURPOSES

While there are several different events that require filing a Form M-1, a single filing may be submitted for multiple filing purposes in cases in which the single filing can be made in accordance with the timing requirements for each of the multiple purposes. This situation can occur, for instance, if an entity is submitting its annual report and has also changed service providers or is requesting a filing extension.

All MEWAs and certain ECEs that provide medical benefits are required to file an annual Form M-1.⁸ In addition to the annual filing requirement, MEWAs also must file the Form M-1 within a certain time period upon any of the following five events:

1. Thirty days prior to operating in any state.
2. Within 30 days of knowingly operating in any additional state or states that were not indicated on a previous Form M-1 filing.
3. Within 30 days of operating with regard to the employees of an additional employer (or employers, including one or more self-employed individuals) after a merger with another MEWA.
4. Within 30 days of increasing the number of employees receiving medical coverage by at least 50 percent relative to the number of such employees on the last day of the previous calendar year.
5. Within 30 days of experiencing a material change as defined in the Form M-1 instructions.

Administrators of ECEs are required to submit a Form M-1 within a certain time period when an origination occurs:

1. Thirty days prior to operating.
2. Within 30 days of operating following a merger with another ECE (unless all of the ECEs that participate in the merger previously were last originated at least 3 years prior to the merger);
3. Within 30 days of increasing the number of employees receiving medical coverage by at least 50 percent relative to the number of such employees on the last day of the previous calendar year (unless the increase is due to a merger with another ECE under which all merging ECEs were last originated at least 3 years prior to the merger).

Administrators of ECEs are generally required to file the Form M-1 for the first 3 years after an origination event only. However, the following two events will extend or restart the 3-year period:

1. The ECE merges with another ECE (unless all of the ECEs that participate in the merger previously were last originated at least 3 years prior to the merger).
2. The number of employees receiving coverage for medical care under the ECE increases by at least 50 percent relative to the number of employees on the last day of the previous calendar year.

If either of these two events occur, then an ECE must file a Form M-1 even if it falls outside of the 3-year period.

⁸ For a general discussion of the filing requirements, see Multiple Employer Welfare Arrangements under the Employee Retirement Income Security Act (ERISA): A Guide to Federal and State Regulation, <https://www.dol.gov/sites/dolgov/files/ebsa/about-ebsa/our-activities/resource-center/publications/mewa-under-erisa-a-guide-to-federal-and-state-regulation.pdf>.

ECEs must also update the Form M-1 within 30 days of experiencing a special filing event. A special filing event occurs if, during the 3-year origination period, the ECE experiences a material change or knowingly begins operating in any additional state that was not reported on a previous Form M-1 filing.

As shown in Table 2, the majority of all filings are submitted with the purpose of fulfilling the annual reporting requirement.

Table 2: Form M-1 Filings by Filing Purpose, Total Filings for Statistical Year 2018

Filing Purpose	Filing Count	Share
Annual Report	739	79.0%
MEWA Registration	177	18.9%
ECE Origination	26	2.8%
ECE Special Filing	6	0.6%

Note: Percentages will not total 100% as entities may indicate multiple reasons for filing.

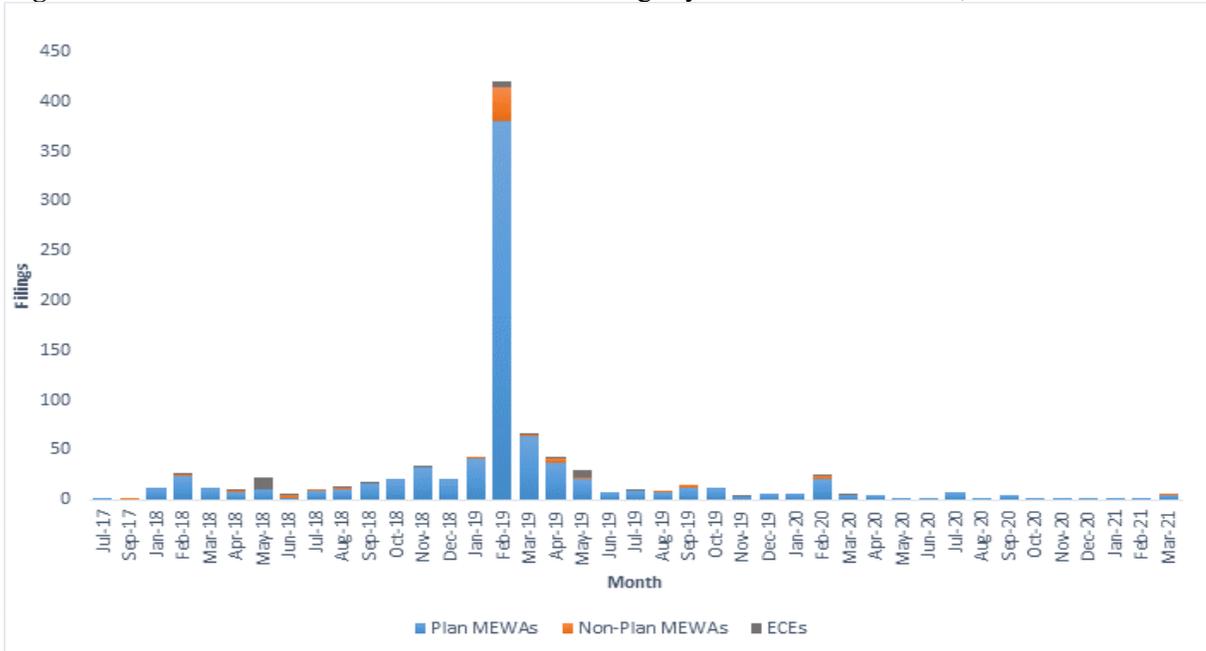
There are several other filing purposes not listed in Table 2 that may be indicated on a Form M-1 submission, but these are always done in conjunction with one of the four purposes listed above. Specifically, a MEWA or ECE may signify that the filing is a final report if the administrator does not intend to file a Form M-1 next year, an amended report if errors need to be corrected from a previously filed Form M-1, or a request for a one-time extension.⁹ The Department has determined that a significant number of filers indicate submitting a final report while continuing to file in subsequent years. Because of the ambiguity in the final report numbers, the Department does not include statistics on the final report numbers in this bulletin. Additional statistics regarding amended or extended filings are not reported in this bulletin.

⁹ Included in this report were 79 filings that checked “amended,” 61 that checked “extension” and 4 that checked both. The vast majority of extensions are associated with annual reports and are filed in February or March.

TIMING OF FILINGS

Figure 2 displays the submission months for all 2018 Statistical Year Form M-1 filings, the vast majority of which were submitted between January and April of 2019.

Figure 2: Statistical Year 2018 Form M-1 Total Filings by Month of Submission, 2017–2021



Note: Months with zero filings are omitted from the above figure.

UNIQUE FILERS

Due to the existence of multiple filings, looking only at the number of Form M-1 filings per plan year overstates the universe of MEWAs and ECEs. In order to better estimate the number of unique MEWAs and ECEs, the Department developed a phased methodology to match filings across 2018 and identify “unique entities.” The Department relied on a hierarchy of four key variables – Entity Name, Entity Address, EIN, and PN – to match across filings. While the Department largely relied on this methodology to automatically generate matches, manual review was used in instances where there was ambiguity. For more details on the Entity Identification process, please see the [Appendix](#).

While the vast majority of entities submit a single filing, one MEWA submitted six Form M-1s for Statistical Year 2018. Three-fourths of filings were submitted by entities with a single filing, while 19 percent of filings were submitted by entities filing twice. Four percent of filings were submitted by entities with three filings, and filings by entities with four or more submissions represented roughly 2 percent of filings.

Table 3: Unique Entities by Number of Filings, Total Filings for Statistical Year 2018

Filings	Entities	Share
1	534	75.6%
2	131	18.6%
3	28	4.0%
4	10	1.4%
5	2	0.3%
6	1	0.1%
Total	706	100.0%

For Statistical Year 2018, a total of 706 unique entities submitted a Form M-1. Plan MEWAs were the most common entity type, representing roughly 91 percent of all entities filing the Form M-1. This finding was consistent with the distribution of filings, suggesting that the different types of entities file in a proportionate manner. Non-Plan MEWAs were the next largest type of entity, with almost 7 percent, and ECEs represented nearly 3 percent of all entities.¹⁰

Table 4: Unique Entities by Entity Type, Total Filings for Statistical Year 2018

Entity Type	Entity Count	Share
Plan MEWA	640	90.7%
Non-Plan MEWA	47	6.7%
ECE	19	2.7%
Total	706	100.0%

Note: Percentages will not total 100% due to rounding.

HEADQUARTERS BY STATE

While entities may operate in multiple states, the Form M-1 requires administrators to report the name and address of the MEWA or ECE, which the Department interprets as the entity's headquarters.¹¹ California, Texas, and Washington have the most MEWA and ECE headquarters in Statistical Year 2018. California had the most Plan MEWAs and ECEs based in it, while New York had the most Non-Plan MEWAs.¹² See Table 3A in the [Appendix](#) for further details and a full list of states.

¹⁰ ECEs are generally only required to file in each of their first 3 years. Thus, the total number of ECEs currently operating is not data that can be reported in this bulletin based on Form M-1 filings.

¹¹ Two entities had multiple headquarters listed in multiple filings; the Department used the most recent for both.

¹² Because ECEs do not have to file after their first 3 years, the most commonly headquartered states for ECEs only represent the filings that were submitted for Statistical Year 2018.

Figure 3: Entity Headquarters by State, Total Filings for Statistical Year 2018

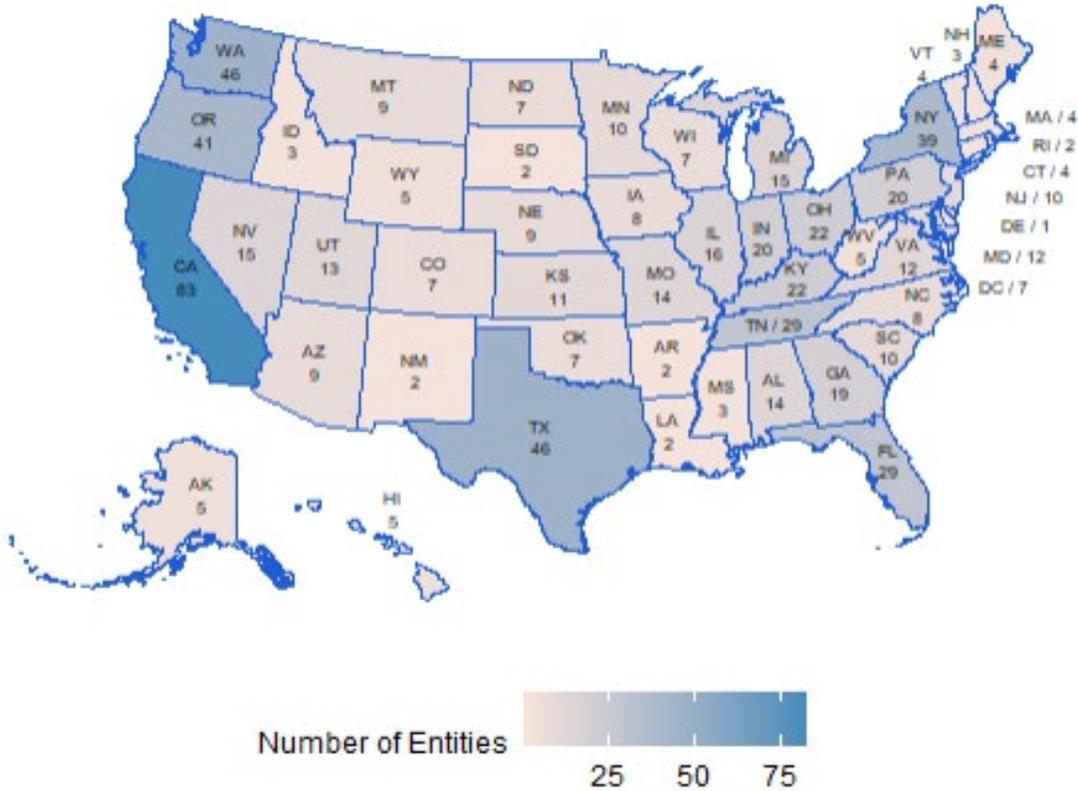


Table 5: Top Headquartered States by Entity Type, Total Filings for Statistical Year 2018

State	Plan MEWA	Non-Plan MEWA	ECE	Total
California	69	7	7	83
Texas	41	3	2	46
Washington	43	1	2	46
Oregon	41	0	0	41
New York	26	12	1	39
Florida	29	0	0	29
Tennessee	28	1	0	29
Kentucky	22	0	0	22
Ohio	15	7	0	22
Indiana	20	0	0	20
Pennsylvania	19	1	0	20

Administrators are also required to list all states where the employers of the employees receiving coverage are domiciled, and indicate whether a state is “new” to this entity (i.e., not included on a previous Form M-1 filing). This can be of particular interest to researchers and regulators as it can be indicative of expansion into new markets.

Some entities filing to begin operations might include all states that they intend to have a presence in, which

may or not occur. Also, although the Form M-1 instructions require this, entities may neglect to check the “New State” box when submitting their filings. As such, this reporting may not accurately reflect the number of states that MEWAs and ECEs expanded into during Statistical Year 2018.

Figure 4: Entities Indicating “New State,” Total Filings for Statistical Year 2018

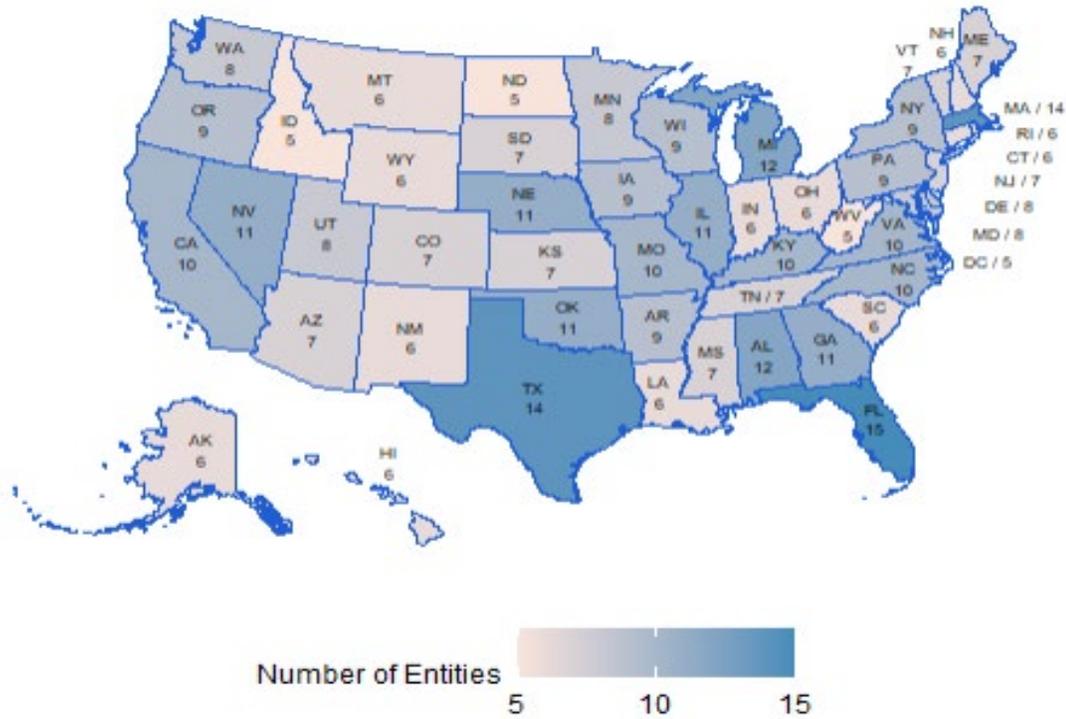


Table 6: Top States of Entities Indicating “New State” by Entity Type, Total Filings for Statistical Year 2018

State	Plan MEWA	Non-Plan MEWA	ECE	Total
Florida	12	0	3	15
Massachusetts	10	1	3	14
Texas	9	0	5	14
Alabama	9	0	3	12
Michigan	9	0	3	12
Georgia	8	0	3	11
Illinois	8	0	3	11
Nebraska	8	0	3	11
Nevada	7	1	3	11
Oklahoma	6	0	5	11

PARTICIPANTS

The Form M-1 requires entities to report the total number of participants receiving medical benefits. In the case of multiple filings, the reported information may indicate growth or decline in MEWA or ECE participation. In this section, the Department counts the highest number of participants reported on all of an entity's Statistical Year 2018 filings.¹³ See the [Appendix](#) for further details.

During Statistical Year 2018, MEWAs and ECEs reported a maximum of 2,287,974 participants. Plan MEWAs accounted for nearly 90 percent of reported participants; however, this finding is due to the large number of Plan MEWA filings. The average ECE reported almost 2 times as many participants as the average Plan MEWA. Filings indicate that, on average, ECEs were the largest entities, followed by Non-Plan MEWAs, and then Plan MEWAs.

Table 7: Total Participants by Entity Type and Size, Total Filings for Statistical Year 2018

Entity Type	Participant Counts	% Total	Average Entity Size	Median Entity Size
Plan MEWA	2,005,057	87.6%	3,133	667
Non-Plan MEWA	169,350	7.4%	3,603	1,434
ECE	113,567	5.0%	5,977	1,513
Total	2,287,974	100.0%	3,241	716

¹³ In contrast, Section IV: Annual Reports presents the number of participants reported in the annual filing, the total of which is slightly lower than the maximum in all filings.

SECTION II: BEGAN OPERATING FILINGS

NUMBER OF FILINGS AND FILING PURPOSES

A MEWA or ECE must submit a Form M-1 filing that indicates its intent to begin operating 30 days prior to the event. This filing alerts the Department as well as State insurance regulators to new entrants into insurance markets, which can allow states and regulators time to reach out and connect with these new entities before they begin operation. The statistics presented throughout the remainder of this section concern only those entities that indicated an intent to begin operating in a filing submitted in 2018.

Plan MEWAs submitted 86 percent of the 114 filings indicating an intent to begin operations during 2018. ECEs comprised almost 9 percent of these filings, with Non-Plan MEWAs composing slightly over 5 percent.

Table 8: Form M-1 Filings by Entity Type, “Began Operating” Filings for Statistical Year 2018

Entity Type	Filing Count	Share
Plan MEWA	98	86.0%
Non-Plan MEWA	6	5.3%
ECE	10	8.8%
Total	114	100.0%

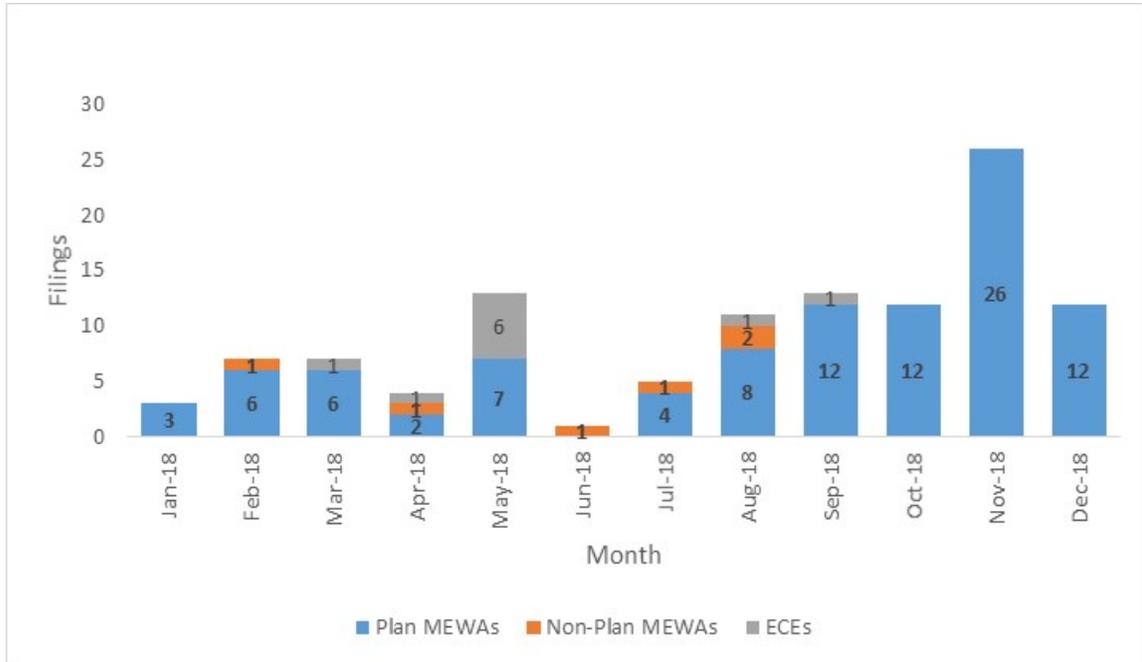
Note: Percentages will not total 100% due to rounding.

TIMING OF FILINGS

Though the filing time period for this bulletin’s Began Operating filings was January 1 through December 31, 2018, this section looks more closely at which months entities submitted these Began Operating filings. Filings that indicated having begun operating in the last 3 months of the previous year are not included in the population for this year’s bulletin, which was a change in the reference period compared to the Department’s 2017 Form M-1 Bulletin.

The Department expects entities to submit registration filings with a reason of “Began Operating” 30 days before an entity begins its operating year. Since the majority of entities operate from January 1 to December 31, most newly formed entities should register as “Began Operating” no later than December 1 of the prior year. Figure 5 shows the distribution of the Began Operating subset of registration and origination filings for Statistical Year 2018. The majority of Began Operating filings submitted in 2018 occurred in November. Though 25 percent of MEWA filings that expressed an intent to operate did so in November 2018, ECEs with this underlying reason are submitted much earlier in the year, with nearly 60 percent occurring in May 2018.

Figure 5: Entity Type by Month of Submission, “Began Operating” Filings for Statistical Year 2018



UNIQUE FILERS

The table below shows that most entities (nearly 90 percent) submitted one “Began Operating” filing for Statistical Year 2018, 8 percent of entities submitted two filings, and 3 percent of entities submitted three or more filings.

Table 9: Unique Entities by Number of Filings, “Began Operating” Filings for Statistical Year 2018

Filings	Entities	Share
1	88	88.9%
2	8	8.1%
3	2	2.0%
4	1	1.0%
Total	99	100.0%

For Statistical Year 2018, a total of 99 unique entities submitted filings indicating “Began Operating.” Plan MEWAs were the most common entity type, representing 86 percent. ECEs were the next most common type of entity with 8 percent, and Non-Plan MEWAs representing roughly 6 percent.

Table 10: Unique Entities by Entity Type, “Began Operating” Filings for Statistical Year 2018

Entity Type	Entity Count	Share
Plan MEWA	85	85.9%
Non-Plan MEWA	6	6.1%
ECE	8	8.1%
Total	99	100%

Note: Percentages will not total 100% due to rounding.

HEADQUARTERS BY STATE

Figure 6 displays the state headquarters of entities that submitted a “Began Operating” filing in Statistical Year 2018. Thirty states were home to entities that filed a “Began Operating” filing in Statistical Year 2018, with Nevada, California, and Oregon being most frequently reported.

Figure 6: Entity Headquarters by State, “Began Operating” Filings for Statistical Year 2018

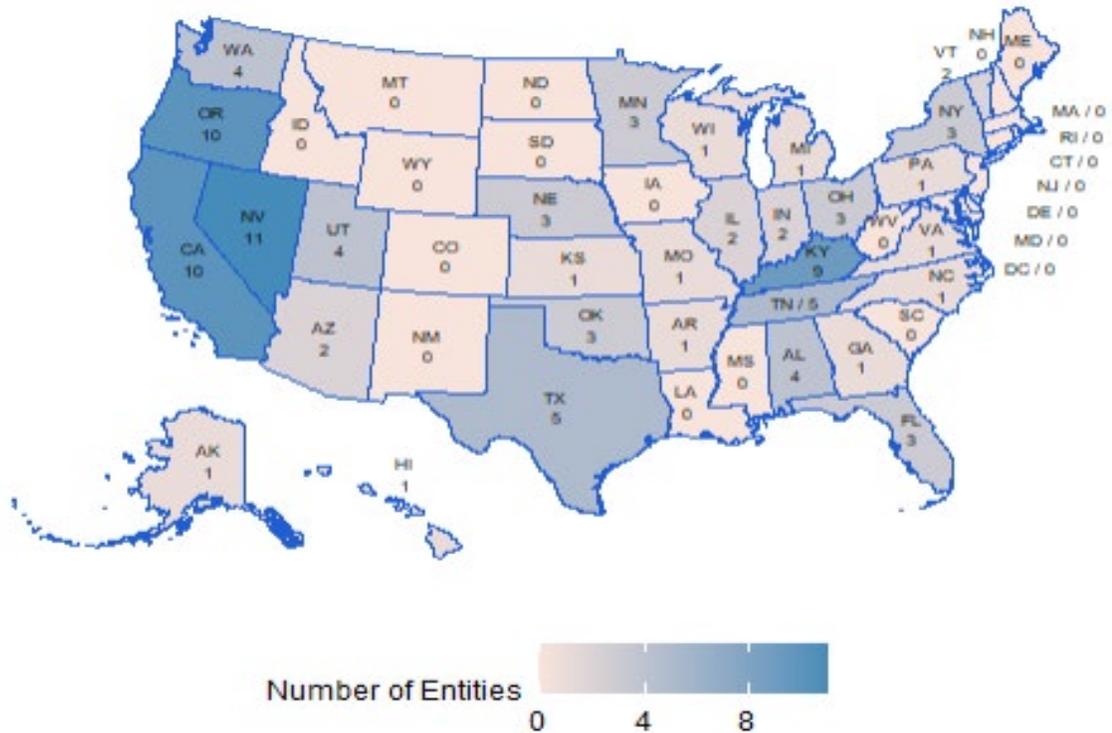


Table 11: Top Headquartered States by Entity Type, “Began Operating” Filings for Statistical Year 2018

State	Plan MEWA	Non-Plan MEWA	ECE	Total
Nevada	10	1	0	11
California	4	0	6	10
Oregon	10	0	0	10
Kentucky	9	0	0	9
Tennessee	5	0	0	5
Texas	4	0	1	5
Alabama	4	0	0	4
Utah	4	0	0	4
Washington	4	0	0	4

SECTION III: REGISTRATION, ORIGATION, AND SPECIAL FILINGS

NUMBER OF FILINGS AND FILING PURPOSES

After annual reports, the second most common filing purpose for filing a Form M-1 relates to MEWA Registrations (18.9 percent); the third most common is ECE Originations (2.8 percent). MEWAs and ECEs are required to submit a registration, origination, or special filing in the event of a merger, expansion into a new state, 50 percent or more increase in participants, or other material changes. This section presents statistics on all MEWA Registrations, ECE Originations, and ECE Special Filings. Began Operating filings, while technically a subset of registrations and originations, are discussed separately above, and are not included in the statistics throughout the Section III tables.

In Statistical Year 2018, 88 filings indicated either a registration, origination, or a special filing. Plan MEWAs submitted 78 of the 88 filings (nearly 89 percent). Non-Plan MEWAs accounted for less than 4 percent, and ECEs comprised 8 percent of filings.

Table 12: Form M-1 Filings by Entity Type, MEWA Registrations, ECE Originations and Special Filings for Statistical Year 2018

Entity Type	Filing Count	Share
Plan MEWA	78	88.6%
Non-Plan MEWA	3	3.4%
ECE	7	8.0%
Total	88	100.0%

Note: Excludes filings that indicated “Began Operating.”

When filing non-annual report filings, administrators are instructed to specify which underlying event has triggered the filing requirement to the Department.¹⁴ Dictated by the layout of the Form M-1, filers can indicate only certain underlying events within the broader filing purposes of MEWA Registration, ECE Origination, and ECE Special Filing (for a screenshot of this section of the Form M-1, see [Appendix](#)). Table 13 displays the possible responses under each filing purpose.

Table 13: Where Filers Enter the Underlying Filing Event, as determined by the form layout

Type of Filing	Material Change	Began Operating in Additional State	50% Increase in Covered Employees	Merger
MEWA Registrations	✓	✓	✓	✓
ECE Originations			✓	✓
ECE Special Filings	✓	✓		

¹⁴ The Department has determined that some of the filings provide a combination of supplemental filing events that are not consistent (e.g., a MEWA Registration filed for Began Operating and a 50% increase in participants). Reported events in Table 14 appear as in the filings with no revisions.

In Statistical Year 2018, material changes were the mostly likely underlying event to require a registration, origination, or special filing. Filers are not asked to specify the exact material change that prompted the need to file, but the reasons can include anything that has changed regarding the custodial or financial information for the entity.

Table 14: Types of Filings by Supplemental Events, MEWA Registrations, ECE Originations, and ECE Special Filings for Statistical Year 2018

Type of Filing	Material Change	Began Operating in Additional State	50% Increase in Covered Employees	Merger
MEWA Registrations	28	17	11	1
ECE Originations	0	0	3	2
ECE Special Filings	5	1	0	0
Total	33	18	14	3

Note: Excludes filings that indicate “Began Operating.”

TIMING OF FILINGS

The Department requires registration and origination filings to be submitted within 30 days of a merger, a 50 percent or more increase in the employees covered since the prior calendar year, knowingly operating in a new state, or another material change. These filings may occur throughout the year, as shown in Figure 8, but for Statistical Year 2018, MEWAs registrations were more likely to occur in the months of January and February, ECEs originations were more prominent in May, and ECEs special filings were more likely to occur in February and May.

Figure 7: Form M-1 Filings by Month of Submission, MEWA Registrations, ECE Originations, and ECE Special Filings for Statistical Year 2018



Note: Excludes filings that indicated “Began Operating.”

UNIQUE FILERS

While the majority of entities, roughly 85 percent, submitted a single filing indicating registration, origination, or special filing for Statistical Year 2018, 11 percent of the filings were submitted by entities filing twice. In addition, three entities submitted four separate filings, accounting for 4 percent of these filings.

Table 15: Unique Entities by Number of Filings, MEWA Registrations, ECE Originations, and Special Filings for Statistical Year 2018

Filings	Entities	Share
1	60	84.5%
2	8	11.3%
3	0	0.0%
4	3	4.2%
Total	71	100.0%

Note: Excludes filings that indicated “Began Operating.”

For Statistical Year 2018, a total of 71 unique entities submitted filings indicating registration, origination, or special filing. Plan MEWAs were the most common entity type, representing 89 percent of the entities. ECEs were the next largest type of entity with nearly 9 percent, followed by Non-Plan MEWAs representing almost 3 percent.

Table 16: Unique Entities by Entity Type, MEWA Registrations, ECE Originations, and Special Filings for Statistical Year 2018

Entity Type	Entity Count	Share
Plan MEWA	63	88.7%
Non-Plan MEWA	2	2.8%
ECE	6	8.5%
Total	71	100.0%

SECTION IV: ANNUAL REPORTS

NUMBER OF FILINGS AND FILING PURPOSES

Annual reports are consistently the most commonly reported purpose for a MEWA or ECE to submit a Form M-1. For Statistical Year 2018, 739 filings indicated they were annual reports. The vast majority of annual report filings, 90 percent, were for Plan MEWAs, with Non-Plan MEWAs accounting for 7 percent of filings, and ECEs comprising just 2 percent.

Table 17: Form M-1 Filings by Entity Type, Annual Report Filings for Statistical Year 2018

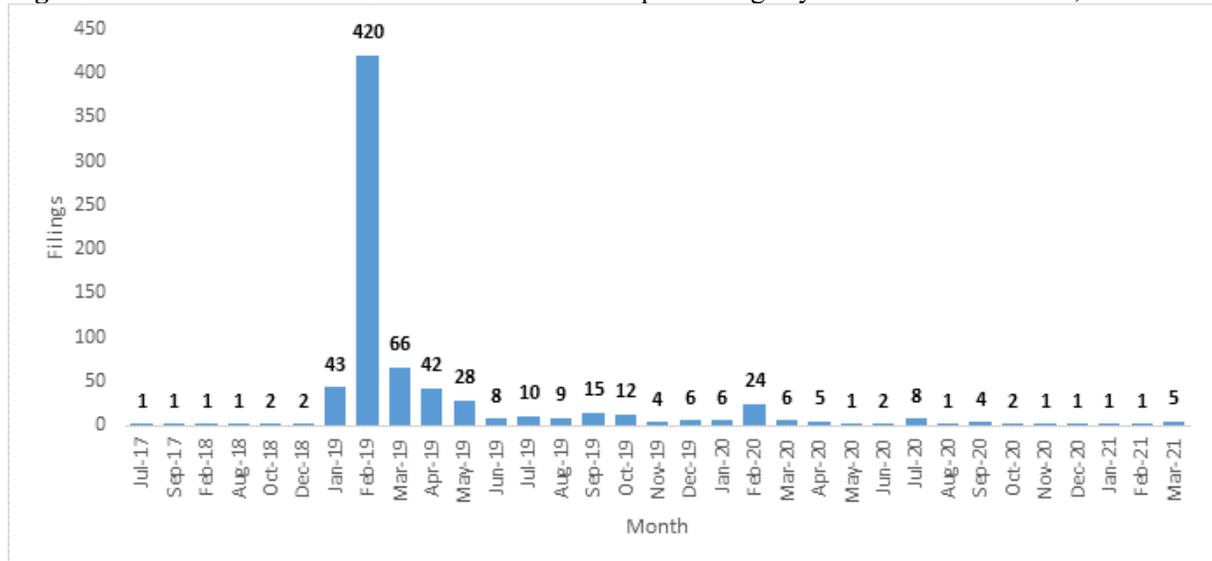
Entity Type	Filing Count	Share
Plan MEWA	666	90.1%
Non-Plan MEWA	55	7.4%
ECE	18	2.4%
Total	739	100.0%

Note: Percentages will not total 100% due to rounding.

TIMING OF FILINGS

Annual reports are due March 1 of the calendar year following the year for which a filing is required. Therefore, the distribution of filings for a given statistical year is skewed towards February and March of the following year. For Statistical Year 2018, 66 percent of the annual filing submissions occurred during those months in 2019. Though the annual report is due each year on March 1, filings may come in after that due date for various reasons (e.g., amending a previously submitted report, delinquent reports, etc.).

Figure 8: Statistical Year 2018 Form M-1 Annual Report Filings by Month of Submission, 2017–2021



Note: Months with zero filings are omitted from the above figure.

UNIQUE FILERS

Generally, entities are expected to submit only one annual report per year. However, some entities indicate “annual report” on multiple filings for a statistical year, which can be attributed to requesting an extension or submitting any number of amended/corrected filings. While the vast majority of entities submitted a single annual report for Statistical Year 2018, three entities submitted four annual reports. Approximately 86 percent of annual report filings were submitted by entities with a single filing, while almost 13 percent of the filings were submitted by entities filing twice. Just under 2 percent of these filings are submitted by entities with three or more submissions.

Table 18: Unique Entities by Number of Filings, Annual Report Filings for Statistical Year 2018

Filings	Entities	Share
1	542	85.6%
2	79	12.5%
3	9	1.4%
4	3	0.5%
Total	633	100.0%

For Statistical Year 2018, a total of 633 unique entities submitted an annual report. Plan MEWAs were the most common entity type, representing 90 percent of all annual report filers. Non-Plan MEWAs were the next largest entity type at 7 percent, and ECEs represented 2 percent of annual report filers.

Table 19: Unique Entities by Entity Type, Annual Report Filings for Statistical Year 2018

Entity Type	Entity Count	Share
Plan MEWA	572	90.4%
Non-Plan MEWA	46	7.3%
ECE	15	2.4%
Total	633	100.0%

FUNDING STATUS

The Form M-1 requires an entity to self-identify the funding status (i.e., fully insured or not fully insured) for each state in which it operates. The Form M-1, however, does not explicitly ask if an entity is self-insured in each state. An entity that reported being fully insured in all states listed is reported in this bulletin as “Fully Insured - *All States*.” If an entity reported being fully insured in some states and not fully insured in others, the entity is reported as “Fully Insured - *Some States*.” For MEWAs and ECEs that did not indicate the entity was fully insured in any state, the entity is reported as “Not Fully Insured.” All other entities are reported as “Undetermined.” For more details, please see the [Appendix](#).

Entities were generally consistent in how they were funded across states, though the funding varied by entity type. The majority of MEWAs were fully insured in all states they operate in with 73 percent of Plan MEWAs and 63 percent of Non-Plan MEWAs indicating they were fully insured in all states. In contrast, 53 percent of ECEs were not fully insured in any state where they operated.

Table 20: Entities by Entity Type and Funding Status, Annual Report Filings for Statistical Year 2018

Entity Type	Fully Insured – All States	Fully Insured – Some States	Not Fully Insured	Undetermined	Total
Plan MEWA	417 (72.9%)	8 (1.4%)	145 (25.3%)	2 (0.3%)	572 (100%)
Non-Plan MEWA	29 (63.0%)	0 (0.0%)	16 (34.8%)	1 (2.2%)	46 (100%)
ECE	7 (46.7%)	0 (0.0%)	8 (53.3%)	0 (0.0%)	15 (100%)
Total	453	8	169	3	633

Note: Percentages for Plan MEWAs will not equal 100% due to rounding.

SERVICE PROVIDERS

Once administrators identify their Form M-1 filing purpose, they provide information on the MEWA or ECE itself, the administrator, sponsors, board members, officers, trustees, and custodians. The Form M-1 also requires filers to provide information on various service providers, including the actuary, third-party administrator, marketing agent, financial institution, insurer (if fully insured), and the stop-loss provider. Not all entities will use every type of service provider. The Department and State insurance regulators are able to use this information to determine which services different MEWAs and ECEs generally report using, identify common service providers across entities, and learn if certain entities frequently change service providers. For more details, please see the [Appendix](#).

Table 21 displays the service providers used by entities as reported through their annual reports.¹⁵

¹⁵ This section on service providers could understate the total number of entities that engaged with these types of service providers at any point during Statistical Year 2018, if changes occurred but the annual report only referred to the status at the end of the filing year.

Table 21: Entities Reporting Various Service Providers by Funding Type, Annual Report Filings for Statistical Year 2018

Third-Party Administrators	Fully Insured – <i>All States</i>	Fully Insured – <i>Some States</i>	Not Fully Insured	Total
Plan MEWA	154	5	110	269
Non-Plan MEWA	10	0	14	24
ECE	3	0	7	10
Total	167	5	131	303

Marketing Agent	Fully Insured – <i>All States</i>	Fully Insured – <i>Some States</i>	Not Fully Insured	Total
Plan MEWA	196	2	69	267
Non-Plan MEWA	13	0	11	24
ECE	3	0	4	7
Total	212	2	84	298

Actuary	Fully Insured – <i>All States</i>	Fully Insured – <i>Some States</i>	Not Fully Insured	Total
Plan MEWA	45	5	91	141
Non-Plan MEWA	4	0	11	15
ECE	2	0	4	6
Total	51	5	106	162

Stop-Loss Insurance	Fully Insured – <i>All States</i>	Fully Insured – <i>Some States</i>	Not Fully Insured	Total
Plan MEWA	23	0	120	143
Non-Plan MEWA	4	0	13	17
ECE	1	0	0	1
Total	28	0	133	161

STATE COVERAGE

MEWAs and ECEs reported operating in all 50 states, the District of Columbia, certain U.S. territories, and several non-U.S. locations in Statistical Year 2018. Figure 10 displays the total Plan MEWAs, Non-Plan MEWAs, and ECEs in each state, based on their annual reports.¹⁶ Most of these entities provided coverage in California, Texas, Florida, and New York. California had the most Plan MEWAs and ECEs operating in it, while New York had the most Non-Plan MEWAs.

¹⁶ The figure does not include entities in U.S. territories (44) or non-U.S. locations (which in 2018 is Canada (4), Germany (4), and Mexico (4)).

Figure 9: Total Entities by State, Annual Report Filings for Statistical Year 2018

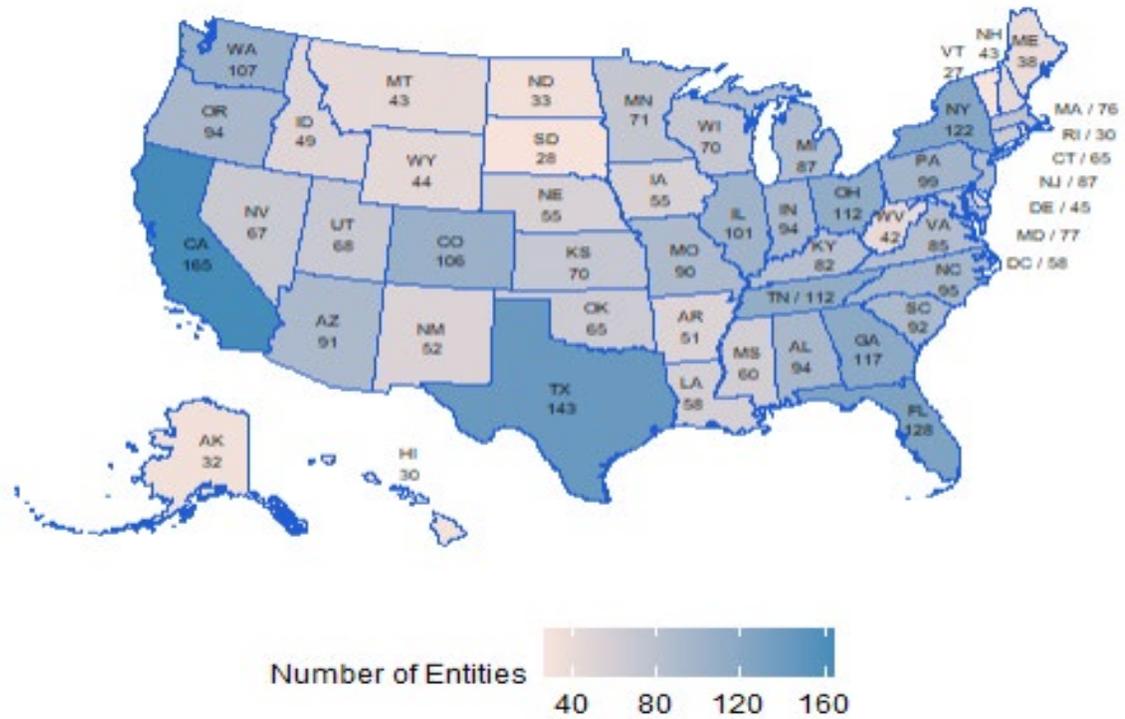


Table 22: Top States for Entities by Entity Type, Annual Report Filings for Statistical Year 2018

State	Plan MEWA	Non-Plan MEWA	ECE	Total
California	150	10	5	165
Texas	131	8	4	143
Florida	117	8	3	128
New York	103	17	2	122
Georgia	105	9	3	117
Ohio	96	14	2	112
Tennessee	104	6	2	112
Washington	99	7	1	107
Colorado	96	7	3	106
Illinois	90	9	2	101

PARTICIPANTS

In this section, the Department counts the highest number of participants reported on all of an entity's Statistical Year 2018 Annual Report filings. MEWAs and ECEs that submitted annual reports reported 2.2 million participants for Statistical Year 2018. While most participants (almost 89 percent) were reported by Plan MEWAs, these plans tend to be the smallest entities, with a median size of 715 participants. The average ECE reported 1.7 times as many participants as the average Plan MEWA. Filings indicate that, on average, ECEs were the largest entities, followed by Non-Plan MEWAs, and then Plan MEWAs.

Table 23: Total Participants by Entity Type and Size, Annual Report Filings for Statistical Year 2018

Entity Type	Participant Counts	% Total	Average Entity Size	Median Entity Size
Plan MEWA	1,953,933	88.5%	3,416	715
Non-Plan MEWA	166,850	7.6%	3,627	1,431
ECE	87,821	4.0%	5,855	1,020
Total	2,208,604	100.0%	3,489	780

CONCLUSION

This bulletin reports Statistical Year 2018 Form M-1 filing information for the following categories: all filers; those indicating Began Operating; those indicating MEWA Registrations, ECE Originations, ECE Special Filings, or material changes; and Annual Reports. The bulletin includes statistics on the number of unique filing entities, reasons for filing, participants covered, states where operating, funding, and service providers. It is intended to provide a snapshot of the 2018 filing population, as reported by its administrators. For Statistical Year 2018, 706 unique entities submitted Form M-1 filings. Most were fully insured Plan MEWAs, though those entities tended to be smaller than Non-Plan MEWAs or ECEs. These entities operated in all 50 states, the District of Columbia, certain U.S. territories, and several non-U.S. locations, and they covered more than 2.3 million participants.¹⁷

¹⁷ The participant count comes from looking at the highest number of participants reported on all of an entity's Statistical Year 2018 filings. For additional details, see Appendix, "Participants" section.

APPENDIX: DATA PREPARATION DETAILS

This appendix provides details on the data preparation steps to create the various descriptive statistics.

2018 FORM M-1 FILING POPULATION:

- The research dataset for this bulletin consists of Form M-1 filings for MEWAs or ECEs that filed a Form M-1 during the relevant period and were in operation during the 2018 Statistical Year, operating from January 1 to December 31, 2018, or operating during a fiscal year with at least 6 continuous months in 2018.
- The Department constructed the research dataset by starting with annual report filings using the 2018 Form M-1 that indicated the submission was for a calendar year MEWA or ECE.
- Fiscal year filings were included in the 2018 Bulletin if the annual report filings indicated the MEWA or ECE operated during a fiscal year with at least 6 continuous months in 2018. If the MEWA or ECE's fiscal year operated for exactly 6 months spanning 2 different years, the filings were categorized as being in the 2018 Statistical Year if the fiscal year end date occurred in 2018.¹⁸
- The Form M-1 online filing system, as of 2018, did not allow users to enter anything more than a month and year for fiscal year start and end dates. Thus, the assumption was made that any July 2017 through June 2018 Form M-1 filing met the criteria for inclusion in the dataset.
- In order to capture all the filings for special events that occurred in 2018, 2017 Form M-1 registration, origination, or special filings submitted between January 1 and December 31, 2018 were separately added.

ENTITY IDENTIFICATION:

An entity may file multiple Form M-1s for a single operating year for a number of reasons, including, but not limited to, amending a previous filing from that operating year, expanding coverage to additional states, and increasing participants by 50 percent or more. This bulletin attempts to determine the number of entities that are submitting those filings in a given statistical year. This task is somewhat complex because an entity may have data entry inconsistencies across its additional filings. Examples of possible inconsistencies include transposed numbers in EINs, omitted PNs, and typographical errors in MEWA or ECE names.

The process of counting entities for the purpose of this bulletin necessitated that the Department develop a process for reviewing all filings in the population and determining whether each filing can be matched to other filings as either the same entity or an additional filing by an entity. Focusing on four key identifying variables (EIN, PN, entity name, and entity address), this bulletin looked for matching and non-matching variables across all filings to identify entities and categorize additional filings of entities.

The Department took a phased approach, detailed in the table below, with each phase looking for matching

¹⁸ The rule to classify July 1, 2018, through June 30, 2019, fiscal year filers as needing to file a 2019 Form M-1 comes from the publicly available Department of Labor document titled "10 Tips For Filing Form M-1 For Association Health Plans And Other MEWAs That Provide Medical," <https://www.dol.gov/sites/dolgov/files/ebsa/employers-and-advisers/plan-administration-and-compliance/reporting-and-filing/forms/m1-filing-tips.pdf>.

and non-matching combinations to help identify possible additional filings by entities. During each phase, the possible additional filings were manually reviewed and categorized as either a unique entity or additional filings of an already identified unique entity.

In the event that review of the four identifying variables did not produce a clear category for the potentially related filings, additional information from the filings was reviewed to ascertain whether the filings were entities not yet identified or possible additional filings of an already identified entity. After all filings with any matching data in the four identifying variables were categorized as entities or additional filings, all remaining filings from the population were designated as entities.

Finally, this report assumes that a filing that matches no other filing across the four identifying variables is an entity with only one filing.

Table 1A: Phased Approach for Counting Entities

Entity Identifying Variables			
1	EIN	3	Entity Name
2	PN	4	Entity Address

Phase	Match	Description
Phase 1	1, 2, 3, and 4	Baseline for removal of unique MEWA duplicates.
Phase 2	1, 3, and 4; not 2	Identifies EIN, Name, and Address matches with no PN or incorrect PN entries.
Phase 3	1, 2, and 3; not 4	Identifies EIN, PN, and Name matches with likely incorrect or missing Address entries or unique Address with duplicate EIN, PN, and Names.
Phase 4	1, 2, and 4; not 3	Identifies EIN, PN, and Address matches with likely incorrect Name entries, or unique Name entries with duplicate EIN, PN, and/or Address.
Phase 5	2, 3, and 4; not 1	Identifies PN, Name, and Address matches with likely incorrect or missing EIN entries, or unique EIN entries with duplicate EIN, PN, and/or Address.
Phase 6	1 and 2; not 3 or 4	Identifies EIN and PN matches with likely incorrect Name or Address entries, or unique Name and Address entries with duplicate EIN and PNs.
Phase 7	1; not 2, 3, or 4	Identifies EIN matches with unique, incorrect, or missing PN, Name, and/or Address.
Phase 8	3; not 1, 2, or 4	Identifies Name matches with unique, missing, or incorrect EIN, PN, and/or Address.

Phase	Match	Description
Phase 9	1, 2, and 3; not 4	Identifies EIN, PN, and Name matches with likely incorrect or missing Address entries or unique Address with duplicate EIN, PN, and Names.
Phase 10	Not 1, 2, 3, or 4	Identifies all filings with no matches in EIN, PN, Name, or Address.
Phase 11	N/A	Review of all filings flagged as possible Entities and possible Additional Filings for Further Manual Review.

SERVICE PROVIDERS:

An entity may report multiple service providers on the same filing or on multiple filings submitted in a given year. After manually reviewing the data at the service provider level, the Department concluded that filers were reporting identifying information for their service providers too inconsistently to accurately classify a service provider as unique in this bulletin. Across multiple filings, the same service provider could have various names, EINs, and/or non-obvious spelling errors. Instead, the Department decided to include in the bulletin service provider data by entity counts, where entities are broken down further by entity type and funding status; in other words, information on whether a MEWA or ECE ever reports having one of four different types of service providers (TPA, actuary, marketing agent, or stop-loss) on any of its 2018 Statistical Year filings. For example, TPAs are reported by 303 entities, 167 of which are “Fully Insured - All States” and identified as Plan MEWAs.

STATE COVERAGE:

In Part II, Question 17, entities report all states in which they provide benefits for medical coverage. For this purpose, entities list the state(s) where the employers (of the employees receiving coverage) are domiciled. Entities also indicate if a state was not included on previous M-1 filings by checking the “New State?” box. Additional information, as applicable, is submitted for the type of coverages provided for each state listed.

Table 2A: Part II, Question 17

17a	17b	17c	17d	17e	17f	17g	17h	17i	17j
Enter State where the MEWA or ECE is operating.	Is coverage provided?	State registration number.	Name of state agent or entity for service of process.	Is the entity a licensed health insurer in this State?	If yes to 17e, enter NAIC number.	If no to 17e, is the entity fully insured?	If yes to 17g, enter name and NAIC number of insurer.	Does the entity purchase stop loss coverage?	If yes to 17i, enter the name and NAIC number of insurer.

Because an entity may file multiple Form M-1s in a single plan year for different filing purposes, causing additional filings to be submitted for the same entity, the Department reviewed additional filings of entities for

any discrepancies in Part II, Question 17's state information. An entity can remove states or add states throughout a plan year, which could result in additional filings to amend this information. Since the Department attempts to report all states that an entity operates in during any part of the plan year, this bulletin includes all entities that list a state on any filings submitted for the plan year. However, the Department counts an entity once per state regardless of multiple filings so as not to overstate the number of entities operating in each state.

Table 3A: State Coverage by Entity Type, Total Filings for Statistical Year 2018

State	Plan MEWA	Non-Plan MEWA	ECE	MEWA Headquarters	New State
AK	28	4	4	5	6
AL	88	6	5	14	12
AR	49	5	3	2	9
AS	1	0	3	0	3
AZ	92	6	4	9	7
CA	155	10	8	83	10
CD	1	0	3	1	3
CO	100	7	4	7	7
CT	64	5	3	4	6
DC	56	4	3	7	5
DE	42	6	3	1	8
FL	127	8	5	29	15
GA	111	9	4	19	11
GU	1	2	3	0	3
GY	1	0	3	0	3
HI	21	7	4	5	6
IA	54	4	3	8	9
ID	48	3	3	3	5
IL	99	9	4	16	11
IN	94	6	4	20	6
KS	68	5	3	11	7
KY	83	6	3	22	10
LA	56	6	3	2	6
MA	72	6	3	4	14
MD	74	6	3	12	8
ME	37	2	4	4	7
MI	86	7	3	15	12
MN	74	5	3	10	8
MO	84	9	4	14	10
MP	1	2	3	0	3
MS	57	5	3	3	7
MT	44	3	3	9	6
MX	1	0	3	0	3
NC	94	7	3	8	10
ND	33	1	3	7	5
NE	54	5	3	9	11
NH	41	3	3	3	6
NJ	87	6	3	10	7
NM	47	6	3	2	6
NV	72	7	4	15	11

State	Plan MEWA	Non-Plan MEWA	ECE	MEWA Headquarters	New State
NY	111	18	4	39	9
OH	100	14	4	22	6
OK	61	5	6	7	11
OR	98	7	4	41	9
PA	95	9	3	20	9
PR	8	3	3	3	4
RI	28	3	3	2	6
SC	87	8	4	10	6
SD	25	4	3	2	7
TN	110	6	4	29	7
TX	140	8	6	46	14
UT	70	5	3	13	8
VA	81	9	3	12	10
VI	6	0	3	0	3
VT	23	3	4	4	7
WA	106	7	3	46	8
WI	67	6	3	7	9
WQ	2	0	3	0	4
WV	38	5	4	5	5
WY	42	3	3	5	6

FUNDING STATUS:

On the Form M-1, Part II, Question 17, MEWAs and ECEs are requested to report on each state in which they provide medical coverage and the respective funding status (fully insured or not) of the particular medical coverage in that state. Because of the possibility of a single entity offering fully insured coverage in some states, and not fully insured coverage in others, this bulletin includes four categories of funding status at the entity level: (1) fully insured - *all* states, (2) fully insured - *some* states, (3) not fully insured, and (4) undetermined.

To derive the funding status at the entity level, all filings for an entity were aggregated by each state coverage line item question (Question 17g, “If no to 17e, is the entity fully insured?”). Through this process, a single entity could have specific states appear more than once due to multiple filings on which the entity filled out Question 17. In the aggregate list, if all states for that entity reported a funding status of fully insured, the Department classified the entity as “Fully Insured - *All States*.” If an entity reported being fully insured in some states and not fully insured in others, then the entity was classified as “Fully Insured *Some States*.” For MEWAs and ECEs that did not indicate the entity was fully insured in any state, the entity was reported as “Not Fully Insured.” If Question 17g was left blank on all of the line items associated with the specific entity, then the entity was reported as “Undetermined.”

PARTICIPANTS:

This bulletin seeks to report all participants covered by Form M-1 entities for the 2018 Statistical Year. When an entity submitted additional filings, the Department counted the highest number of participants reported on all of an entity’s 2018 Statistical Year filings. The Department considered discrepancies in the number of participants reported between an entity’s filings and reviewed the differences to determine how different the results are using different methods. To assess whether the highest number was the correct number to report for this bulletin, the Department looked at the last filings versus highest participant count filings and examined entities that had extension filings and/or amended reports for discrepancies. The review of these discrepancies revealed a less than 2.3 percent difference in total participants.

Therefore, the Department decided to report the highest reported participants for all entities in order to be as inclusive as possible in reporting participants covered. This method results in 2,287,974 participants being reported by entities during Statistical Year 2018.¹⁹

The participant count reported in Section IV: Annual Reports was calculated using the same method of choosing the highest reported participants, but only looks across all annual reports filed by entities.

¹⁹ ECEs are generally only required to file their first 3 years, so the total number of participants in all ECEs is not reported in this bulletin.

FORM M-1 LAYOUT FOR REGISTRATION, ORIGINATION, SPECIAL FILING SECTION:

The Form M-1 layout itself prescribes the way statistics regarding registrations, originations, and special filings are classified and presented in this bulletin. Figure 10 below depicts the five underlying events that could be indicated when filing a MEWA registration; those same five events are split across the origination and special filing categories for ECEs.

Figure 10: Layout of Registration, Origination, and Special Filing Question from the 2018 Form M-1

MEWA Registration
Enter MEWA registration date:
Reasons for filing Registration:
 50% Increase in Covered Employees
 Began Operating
 Began Operating in an Additional State
 Material Change
 Merger

ECE Origination
Enter ECE origination date:
Reasons for filing Origination:
 50% Increase in Covered Employees
 Began Operating
 Merger

ECE Special Filing
Enter ECE special filing date:
Reasons for filing Special Filing:
 Began Operating in an Additional State
 Material Change

As shown in the figure above, an entity may check “Began Operating” in both the MEWA registration and ECE origination sections of the form, regardless of the entity type. This bulletin only reports *if* an entity indicated it began operating at least once on a filing, and does not report the total number of occurrences for each filing.