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FOR IMMEDIATE RELEASE

Coalition to Protect and Promote AHPs Files Brief in Support of DOL's AHP Regulations

WASHINGTON – Yesterday, members of The Coalition to Protect and Promote Association Health Plans filed an amicus brief with the U.S. District Court for the District of Columbia supporting the Department of Labor's authority to issue its final association health plan (AHP) regulations. The regulations will enable member-based organizations – including Coalition members – to offer comprehensive health coverage to millions of employees and self-employed individuals at an affordable price.

The Coalition's amicus brief backs the Labor Department's motion to dismiss a lawsuit filed by the attorneys general of 11 states and the District of Columbia that seeks to invalidate the final AHP regulations. The Coalition is uniquely well-situated to respond and add a "market" perspective on the issues raised by the challengers to the regulations. For example, the challengers allege that the final AHP regulations "would return the country to the pre-ACA world where people with pre-existing conditions will lack federal protections." But the challengers overlook that unlike "short-term health plans," an AHP is a "group health plan" that is subject to Federal consumer protections under ERISA, HIPAA, and COBRA, and AHPs are subject to the Affordable Care Act's "coverage requirements," which strictly prohibit denying a person health coverage based on a pre-existing condition.

The Coalition also explained that national and state member-based organizations want to offer their small employer and/or independent contractor members the same type of health coverage "large" employers offer to their employees. And contrary to what the challengers contend, AHPs that have been established in accordance with the final AHP regulations – which will be effective Jan. 1, 2019 – are offering comprehensive coverage, which includes voluntarily covering the Affordable Care Act's "essential health benefits."

Without the rules and requirements set forth under the final AHP regulations, many Coalition members would be unable to provide quality and affordable health coverage to small employers and self-employed individuals who are currently struggling to afford health insurance offered in the existing "small group" and "individual" health insurance markets. A ruling against the Labor Department would also mean that thousands of employees and self-employed individuals who will be covered by an AHP established exclusively on account of the final AHP regulations – who are currently enrolling or already have enrolled in AHP coverage that will be effective Jan. 1, 2019 – will lose their health coverage.

The Coalition is currently comprised of 23 like-minded organizations that believe employees of small employers and independent contractors deserve quality coverage with strong consumer protections. Member organizations include: the American Bankers

Association; American Composites Manufacturers Association; American Farm Bureau Federation; American Society of Association Executives; American Veterinary Medical Association; Associated Employers Benefit & Trust; Association of Web-Based Health Insurance Brokers; Financial Services Institute; Food Marketing Institute; Foundation for Government Accountability; Global Cold Chain Alliance; Indiana Credit Union League; International Franchise Association; International Sign Association; Land O'Lakes, Inc.; Manufacturer & Business Association; Michigan Dental Association; National Apartment Association; National Association of REALTORS®; NFIB; National Restaurant Association; National Marine Manufacturers Association; and the Transportation Intermediaries Association.

With more flexibility to create AHPs under the DOL's regulations, members of The Coalition to Protect and Promote Association Health Plans intend to work constructively and collaboratively with federal and state regulators to accomplish a single goal - protect employees and independent contractors by ensuring they have access to quality and affordable health coverage.

Quotes from Coalition Steering Committee Members:

American Society of Association Executives

"The Department of Labor has issued perfectly rational regulations that will enable eligible associations to offer comprehensive health coverage to small employers and self-employed individuals who are currently struggling to afford health insurance," said ASAE President and CEO John Graham, FASAE, CAE. "The plaintiffs' objections to the DOL's rule are unfounded and are standing in the way of a well-reasoned and greatly needed option in the health insurance marketplace."

American Veterinary Medical Association

"For decades, veterinarians depended on AVMA for health coverage. When those plans had to be discontinued, many of our member veterinarians were unable to find affordable replacement plans. AVMA has been eager to resume this important benefit for our members. The AHP final rule provides the pathway for AVMA to resume offering quality coverage for our members and their employees," said AVMA President Dr. John de Jong.

Financial Services Institute

"Our members are small business owners helping Main Street Americans achieve their financial goals and prepare for a financially secure future. However, our financial advisor and small firm members are in great need of quality, affordable healthcare. We should be doing everything possible to lower rates and offer quality plans for as many Americans as possible. Our coalition will work tirelessly to ensure access goes up and rates come down."

National Association of REALTORS®

"NAR remains committed to finding affordable, comprehensive health insurance solutions for Realtors® and their families. As a founding member of the Coalition to Promote and Protect Association Health Plans, today's filing in support of the Department of Labor's rulemaking will help protect self-employed individuals' ability to join association health plans, which remain subject to state and federal oversight. While NAR continues to explore and tackle barriers to a national AHP insurance option, we are learning from the many successes being implemented by state and local Realtor®

associations and maintain our focus on ensuring health care needs for our members and their families are protected,” said NAR President John Smaby.

Transportation Intermediaries Association

We support the Department of Labor’s authority to issue its final AHP regulations in connection with the Coalition to Protect and Promote Association Health Plans because of its focus on small businesses with multi-state locations that will finally be able to offer the same level of affordable health insurance coverages to all their employees across state lines as large corporations. This will result in significant savings in costs and reduction in regulatory burdens and allow these businesses to hire more employees. “Ninety-five percent of our members are family-owned businesses,” says Robert Voltmann, President and CEO of Transportation Intermediaries Association, “so this initiative will have a huge impact on a lot of families that have struggled getting healthcare affordably.”

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