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FOR IMMEDIATE RELEASE

Coalition to Protect and Promote Association Health Plans Reacts to DC District Court Ruling on the Final AHP Regulations

The Coalition to Protect and Promote Association Health Plans (Coalition) issued the following statement in response to the U.S. District Court for the District of Columbia ruling to invalidate a portion of the Department of Labor's authority to issue its final association health plan (AHP) regulations.

WASHINGTON – On Thursday, a district court overturned the Department of Labor's regulations governing Association Health Plans (AHPs). Assuming the regulations remain in effect while the appeals process is exhausted, most, if not all, organizations that have established an AHP of Jan. 1, 2019, along with those organizations that are planning for a Jan. 1, 2020 start date, will continue moving forward. This is because these organizations want to offer comprehensive health coverage at a reasonable cost to their members. The AHP regulations allow them to do that.

An immediate stop to AHPs would result in thousands of people losing their current health care coverage. Those impacted include self-employed farmers and real estate agents and employees of small businesses whose employers cannot afford health coverage in the existing small group market.

Under the final AHP regulations, approximately 35 new AHPs were created. Many were sponsored by Chambers of Commerce and other business groups, which are organizations full of members in different industries. Industry-specific groups that want to offer coverage to their self-employed members have also established AHPs in accordance with the final AHP regulations.

For example, effective Jan. 1, 2019, Land O'Lakes offers a self-insured AHP to self-employed farmers and their dependents, and as of Jan. 1, 2019, the Nebraska Farm Bureau established a fully-insured AHP for self-employed farmers and their dependents. The Tennessee REALTORS® fully-insured AHP just went live, and it will be available to independent contractor real estate agents. The Nevada Association of REALTORS® and the Greater Las Vegas Real Estate Association also have AHPs up and running. Importantly, all these AHPs provide comprehensive coverage including pre-existing condition protections, no annual and lifetime limits, free coverage for certain preventive services, and voluntary coverage of all or virtually all the Affordable Care Act's "essential health benefits."

Industry-specific groups that satisfy the "bona fide group" definition under previous DOL guidance are unaffected by this ruling, which means that industry-specific groups can still offer an AHP in multiple States.

“If this decision goes into effect, it would cause employees of small employers in multiple industries, along with self-employed farmers, real estate agents, and other independent contractors to lose their health plan,” said ASAE President and CEO John Graham, FASAE, CAE. “Our Coalition is hopeful that the DC Circuit Court of Appeals will overturn the ruling.”

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About The Coalition to Protect and Promote Association Health Plans

The Coalition is currently comprised of 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 Marine Manufacturers Association; and the Transportation Intermediaries Association.

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