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FOR IMMEDIATE RELEASE

Association Health Plans Offer Comprehensive Coverage; At Least 30 States Want AHPs Operating In Their State

For over a year, the Coalition to Protect and Promote Association Health Plans (AHPs) has been working tirelessly to [correct-the-record](#). Contrary to what critics are saying, AHPs are *not* an “end-run around” the Affordable Care Act (ACA). Quite the opposite. AHPs are currently offering better coverage than ACA-compliant “small group” and “individual” market plans. How do they do that?

AHPs are *voluntarily* covering all ten of the ACA’s “essential health benefits” (EHBs), including pediatric services. AHPs also cover pediatric dental and vision services either through their AHP insurance contract or through a stand-alone product.

In addition, AHPs offer broader “health care provider networks” relative to many existing ACA small group and individual market plans, and they are priced at an “actuarially fair premium” for both young and old AHP participants. Doing so encourages more young and healthy individuals to enroll in AHP health coverage, which in turn benefits older and less healthy AHP participants by increasing the size of, and balancing out, the risk pool.

AHPs are also subject to specific rules that prevent them from discriminating against individuals/employees based on a health condition. Most importantly, AHPs are prohibited from denying people coverage if they have a pre-existing condition.

To date, [at least 30 States have signaled](#) that they want to allow AHPs to (1) cover small employers in the same industry, (2) cover small employers in different industries, and (3) cover self-employed individuals with no employees.

This is compared to the 11 States and the District of Columbia (DC) that have filed a lawsuit to invalidate the Department of Labor’s (DOL’s) final AHP regulations (issued on June 21, 2018). These 11 States and DC *already* prohibit certain types of AHPs from operating in their State, including AHPs that cover small employers in the same industry.

The bottom-line is this: AHPs that cover small employers in the same industry currently provide comprehensive coverage to tens of thousands of employees. States should issue formal guidance clarifying that these types of AHPs can operate in their State, and further clarify that AHPs will be regulated like “large employer plans.” This will help more employees of small employers access quality and affordable health coverage through an AHP.

Today, roughly 30,000 individuals living in States like Alabama, Arizona, Florida, Georgia, Michigan, Missouri, Minnesota, Nebraska, Nevada, Oklahoma, Tennessee, Texas, West Virginia, and Wisconsin are covered by AHPs that allow employers in different industries and self-employed individuals with no employees to participate.

If the Circuit Court of Appeals for the District of Columbia invalidates the DOL's final AHP regulations governing these types of AHPs, employees of small employers and self-employed individuals with no employees – who live *outside* of the 11 States and DC – will face a choice: (1) they will experience a 10-percent to 30-percent premium increase (depending on the savings under their existing AHP) or (2) they will go without coverage. These are outcomes no State or court of law should want.

The Coalition to Protect and Promote Association Health Plans is currently comprised of 33 like-minded organizations that believe employees of small employers and self-employed individuals deserve quality and affordable health coverage with strong consumer protections. Member organizations include: American Bankers Association; American Composites Manufacturers Association; American Farm Bureau Federation; American Society of Association Executives; American Society of Travel Advisors; American Veterinary Medical Association; Associated Employers Benefit & Trust; Association of Web-Based Health Insurance Brokers; Decisely Insurance Services; Financial Services Institute; Food Marketing Institute; Foundation for Government Accountability; Global Cold Chain Alliance; Humana; Indiana Credit Union League; International Franchise Association; International Sign Association; iPSE-U.S.; Manufacturer & Business Association; Marsh McLennan; Mercer; Michigan Business and Professional Association; Michigan Dental Association; National Apartment Association; National Association of Mortgage Brokers; National Association of REALTORS®; NFIB; National Marine Manufacturers Association; Small Business Association of Michigan; The Association of Independent Workers; TranscendAHP; Transportation Intermediaries Association; Vimly Benefit Solutions.

MEDIA CONTACT: Chris Vest, ASAE, 202.626.2798, cvest@asaecenter.org