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NEWS RELEASE

FOR IMMEDIATE RELEASE
June 19, 2018

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Actuaries: Association Health Plan Rule Likely to Have Important Implications for Consumers, Insurers

WASHINGTON—The American Academy of Actuaries says that the final Department of Labor association health plan (AHP) rule released today could have significant implications for health insurance consumers and markets.

“Expanding the availability of AHPs can lead to increased insurance options and lower premiums for some consumers, but higher premiums for others,” said Academy Senior Health Fellow Cori Uccello.

The Academy’s [Association Health Plans](#) issue brief highlights important considerations for consumers and policymakers when evaluating the effects of the new AHP rule, such as:

- When AHPs operate under less restrictive rules than plans complying with Affordable Care Act (ACA) rules, they can attract some of the healthier population away from and increase premiums for ACA plans.
- AHPs would be unlikely to obtain lower provider payment rates than larger insurance companies. Rather, AHP premium savings would more likely reflect a combination of less generous benefits and a healthier enrollee population.
- Without clearly defined regulatory authority, AHPs could face increased insolvency risk as evidenced by the history of bankruptcies of multiple employer welfare arrangements (MEWAs).

Download the [issue brief](#) and the Academy Individual and Small Group Markets Committee’s [February](#) and [March](#) 2018 comments on the proposed AHP rule at actuary.org.

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The American Academy of Actuaries is a 19,000-member professional association whose mission is to serve the public and the U.S. actuarial profession. For more than 50 years, the Academy has assisted public policymakers on all levels by providing leadership, objective expertise, and actuarial advice on risk and financial security issues. The Academy also sets qualification, practice, and professionalism standards for actuaries in the United States.