

The Association Health Plan (AHP) Final Rule

The AHP Final Rule will help millions of Americans obtain quality, affordable health coverage

More people will be able to get health coverage through AHPs under the Final Rule, including:

- Small business owners
- Employees of small businesses
- Family members of working owners/employees

AHPs have been available to small employers, but the Final Rule offers new options:

- The Final Rule provides a new pathway, but retains the existing AHP pathway
- In addition to industry AHPs, an AHP can now also form based on a geographic test such as a common state, city, county, or a metropolitan area across state lines
- Working owners without employees, including sole proprietors, can join

AHPs have many possible benefits:

- More coverage options
- More affordable pricing
- Enhanced ability to self-insure
- Less regulatory burden and complexity
- Reduced administrative costs

The Final Rule's effects – by the numbers:

- Fifteen million Americans who work for a small business or operate a sole proprietorship, and their families, lack health coverage
- Four million Americans, including 400,000 who otherwise would lack insurance, will join an AHP by 2023 according to Congressional Budget Office estimates

Consumer protections and healthcare anti-discrimination protections will continue to apply to large businesses and will also apply to AHPs organized under the Final Rule.

The Department of Labor will continue to partner with states to protect consumers.

Important dates for AHP expansion under the Final Rule:

- **All associations (new or existing)** may establish a fully-insured AHP on **September 1, 2018**
- **Existing associations** that sponsored an AHP on or before the date the Final Rule was published may establish a self-funded AHP on **January 1, 2019**
- **All other associations (new or existing)** may establish a self-funded AHP on **April 1, 2019**

Association Health Plans (AHPs) are group health plans that employer groups and associations offer to provide health coverage for their members' employees.

They allow small employers, through associations, to gain regulatory and economic advantages available to large employers.