February 15, 2018

Office of Regulations and Interpretations,
Employee Benefits Security Administration, RM N-5655
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210

Attn: Definition of Employer – Small Business Health Plans
RIN 1210-AB85

RIN 1210-AB85 is a technically worded communique primarily attempting to define an **Employer** that leaves questions unanswered. It does clearly state, however, that the intent is to expand access to AHPs, thereby providing more affordable health insurance options to many Americans including hourly wage earners, farmers, and employees of small businesses and entrepreneurs. But it clearly **excludes** millions of unemployed Americans of all ages from becoming a members of a business association.

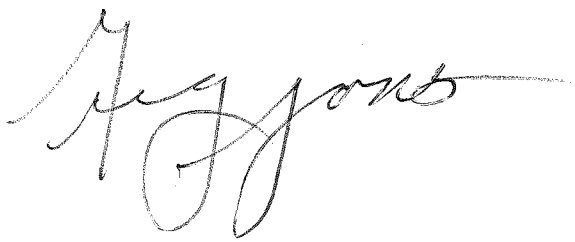
For example, a 21 year old college student, would be required to purchase health insurance in order to play collegiate sports. If by chance the ERISA Proposed Rule changes the true body form of an employer, then why wouldn't The Department of Labor declare that student athlete eligible to purchase health insurance coverage under the same type of nomenclature criteria? Especially, if he/she has the financial means to pay a health insurance premium. After all, the health insurance lobby loves it when young and healthy subscribers are enrolled in the body premium. Seriously, why deny anybody the right to purchase health insurance coverage and be discriminated against due to unemployment?

As I am quite sure, the Department of Labor is also well aware of the many self-funding health care risks as well as self funding pros and cons. [Traditional self-funding is designed as when an nemployer pays for their own medical claims directly, while a third-party administrator administers the health plan by processing the claims, issuing ID cards, handling customer questions and performing other tasks. Companies with fewer than 250 employees can self-fund but will typically purchase stop-loss insurance. Stop-loss insurance limits the amount of claims expenses the employer's self-funded health plan is responsible for per covered individual per plan year (more on that in the second section). If claims are lower than predicted, the employer can save money directly, compared to paying the set monthly premium of a fully insured plan, while the stop-loss insurance policy puts a ceiling on the maximum amount the employer would pay in claims as defined by: Cigna Health and life Insurance Company.]

The primary business reason to self fund is for medium size employee companies to large size employee corporations to lower their health care bill by 10 to 15%. It's certain that a mindful and heartfelt business employer would comprehend the risk for lowering the health care premium bill a few percentage points. However, If a particular business association now becomes the employer, wouldn't it also be prudent to rename the member company, to the association employee member company; by then having the memberships income statement be scrutinized by the association Board of Directors? The primary reasons to self fund healthcare benefits are underwriting rules and regulations set forth for single business entities - not for a collection of small group companies for any uncertain associative health risk terms.

In March, 2017 I wrote a position paper (see below) that I sent to several US Congressional offices. When written a year ago, I suggested naming the plan an American Healthcare Cooperative, but no reason today why it couldn't be called an American Healthcare Association. However, I would write one amendment to my position paper for The USA to capitalize on the errors and omissions of the affordable health care act. Instead of retooling the ERISA language which I believe will not offer a reasonable solution to fix the financial and health insurance flaws associated with small business purchasers, I would argue for The Department of Labor to select one of the Federal Health Care Exchanges for a controlled Multiple Site HEALTHCARE DEMONSTRATION. I would also argue that any particular healthcare network with statewide medical facilities be selected not only to be the primary health care provider but also, the medical health claims fully insured risk manager. I have the premium savings plan details and I would certainly be more than happy to present the plan upon request!

The United States American taxpayers have funded plus or minus 1.3 billion tax dollars for the creation of the Federal and State Health Insurance Exchanges. I truly believe by allowing the pre-existing Federal and State Healthcare Exchanges a chance for survival, it's at least worth a try before putting them down for a simple political outcry. Taking a stand today to revive the FSHE allows under no uncertain terms for healthcare competition to Cross State lines.



Position Paper for the American Health Care Act

The American Health Care Act is a set of two Proposed United States Congress bills which were publicly released by House Republicans on March 6, 2017. The AHCA is intended to be a replacement for the Patient Protection and Affordable Care Act enacted in 2010 under the Obama administration. Having once held executive positions as Vice President of Sales & Marketing with: Physicians Plus Insurance Corp and Blue Cross Blue Shield, my opinion is for Congress to consider managing the existing (AHCA) insured lives (25 -35 million enrolled) into an American Health Care Cooperative. Thus, affording individual, sole proprietors, and small group businesses (2-50 employees) the same actuarial health underwriting discounts afforded large corporations for health risk assessment.

Health Insurance Medical Contracting

Prior to a medical insurance claim becoming a billed and paid claim, there first must be a contract agreement between the health insurance company and the health provider network for delivering quality medical care. Provider healthcare network discounts on average range from 25% to 45% off patient medical claims billed. An employer group with 50 plus employees (Large Group) is either community or health experience underwritten. Negotiated provider discount points are then passed through to health insurance company's pooled rated insurance health plans, by being medically underwritten within the law of averages for delivering group health insurance premium rates. On average lower health care premium rate bands equate better with (Large Group) employers, and higher premium rate bands equate worse with (Small Group) employers; including sole proprietors and individual health insurance contracts.

An American Health Care Cooperative

It is my position that a workable American health care solution does not require "Repealing and replacing" The Affordable Healthcare Act, just amending a few details. In 2003 the Wisconsin Assembly passed Wisconsin Act 101 and the Wisconsin Senate then passed SB204. Should the Wisconsin health insurance law be adopted at the federal level for the creation of an American Health care Cooperative, then, and only then, will the same health insurance underwriting rules apply for provider discounts to small group companies as they do for large group companies. Thirty five million American (AHCA) lives being underwritten as one large group within The American Health Care Act is the only hope for long term survival. The present day politically driven health insurance discussion must include insurance company accountability.

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