

August 20, 2018



Jessica Altman
Insurance Commissioner
Pennsylvania Insurance Department
1326 Strawberry Square
Harrisburg, PA 17120

RECEIVED
Commissioner's Office

AUG 22 2018

Pennsylvania
Insurance Department

Dear Ms. Altman:

Thank you for your letter, dated August 2, 2018, to Secretary of Labor R. Alexander Acosta and Secretary of Health and Human Services Alex Azar. Your letter provides information about Pennsylvania's intended approach to regulating Association Health Plans (AHPs) established in accordance with the Department of Labor's (DOL's) recent Final Rule issued under the Employee Retirement Income Security Act of 1974 (ERISA). This letter responds on behalf of DOL and Health and Human Services.

As you know, DOL consulted with a number of State officials, including State insurance department representatives and State-based Exchange representatives, as well as with the National Association of Insurance Commissioners (NAIC), during the development of the Final Rule. In response to comments DOL received about the importance of continued State authority over AHPs, the preamble to the Final Rule makes clear that the Final Rule does not modify the States' existing authority to regulate AHPs under State insurance laws.

DOL is committed to working with the States in exercising their joint regulatory and oversight responsibilities with respect to AHPs and other Multiple Employer Welfare Arrangements (MEWAs), as conferred by section 514(b)(6) of ERISA. Indeed, DOL already maintains written agreements with many States to foster cooperative enforcement efforts and collaborate on issues such as MEWA reporting. DOL also has been participating in periodic conference calls with state regulators and the NAIC to ensure ongoing coordination as we work to implement the Final Rule. DOL looks forward to continuing to work with your office on our joint responsibilities to help America's workers and their families obtain quality, affordable health coverage.

Sincerely,

A handwritten signature in black ink, appearing to read "G. William Scott".

G. William Scott
Associate Solicitor for Plan Benefits Security
Office of the Solicitor
Department of Labor
200 Constitution Ave. NW, N-4611
Washington, DC 20210