



March 5, 2018

The Honorable R. Alexandria Acosta
Secretary of Labor
c/o Office of Regulations and Interpretations
Employee Benefits Security Administration
Room N-5655
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210

Dear Mr. Secretary:

RE: Comments Submitted to Notice of Proposed Rulemaking - "Definition of 'Employer' Under Section 3(5) of ERISA - Association Health Plans", RIN 1210-AB85

The Automotive Recyclers Association (ARA) submits comments for the Notice of Proposed Rulemaking on the above cited subject. ARA is an international trade association representing approximately 4,500 professional automotive recyclers in nearly every state. The vast majority of these are small businesses.

For many years ARA has supported allowing associations to provide health insurance to members through Association Health Plans (AHPs). Member organization such as ARA are uniquely suited to aggregate their workforces to provide cost effective, competitive and flexible health care options for thousands of employees. ARA firmly agrees with comments submitted by the American Society of Association Executives (ASAE) which include that "...the economies of scale that an AHP could produce would allow the association to offer more comprehensive coverage than members could afford on their own, implement realistic risk pooling, and minimize compliance cost."

Specific recommendations to the proposed rule include:

- State health insurance regulations and laws should be distinctly preempted to allow for businesses that cross state lines.
- AHPs need to affiliate with an association that has a membership nexus to avoid fraudulent activities by newly formed AHPs.
- Employers or "working owners", not just employees, of association members should be allowed to join an AHP by further clarifying their status and qualifications.

ARA applauds the U.S. Department of Labor's efforts at perfecting and clarifying regulations that will result in an improved competitive health care landscape for businesses to self-insure with fewer regulatory burdens. We appreciate the opportunity to comment on the proposed regulations and our membership of small businesses looks forward to having more choices in the health care marketplace.

Sincerely,

A handwritten signature in black ink that reads "Michael E. Wilson". The signature is written in a cursive style with a large initial "M".

Michael E. Wilson
CEO