



Illinois Department of Insurance

BRUCE RAUNER
Governor

JENNIFER HAMMER
Director

MEMORANDUM

TO: All Accident and Health Companies, HMO's, LHSO's and VHSP's

FROM: Jennifer Hammer, Director 

DATE: September 19, 2018

RE: Company Bulletin 2018-07 – Association Health Plans

On June 21, 2018, the US Department of Labor enacted a federal rule under ERISA construing “employer” to include bona fide associations that meet a new set of criteria specified in the rule (ERISA 3(5), 83 FR 28912). The Association Health Plan Final Rule expands the types of associations in Illinois to which insurers may issue group health insurance coverage in connection with fully insured group health plans, effective September 1, 2018.

The insurers may issue group health insurance to associations that either satisfy the requirements of the Illinois Insurance Code or satisfy the requirements through the new rule as defined under ERISA. Illinois laws regarding the filing and review of group health coverage apply to policies issued to associations that meet the Department of Labor's requirements.

Issuers can use existing policy forms to issue coverage.

Note: The Department of Insurance does not require filing of documents demonstrating an association's qualification for a group health insurance policy, unless the policy incorporates by reference the association's documents.