



MEWA Exemption—Qualified Associations and Other Business Entities; SB 309

SB 309 amends a provision in the Insurance Code to add any other qualified trade, merchant, retail or professional association or business league, and farmers' cooperatives to the list of associations providing health insurance coverage exempted from the jurisdiction of the Kansas Insurance Commissioner.

The bill defined a "qualified trade, merchant, retail or professional association or business league" as any *bona fide* trade, merchant, retail or professional association or business league that has been in existence for at least five calendar years and is composed of five or more employers. (Signed on 4/10/14)

What Does This Mean?

The phrase "exempted from the jurisdiction of the Kansas Insurance Commissioner" is a direct reference to Federal ERISA regulation over SELF FUNDED plans...which the KS Insurance Department has no authority over...the Federal Government regulates these plans.

A Self-Funded plan also has less regulations and taxes to comply with under the Affordable Care Act (ACA). This means we have greater freedom to design plans that will meet your employers' requirements to provide a qualified plan. Self-Funded plans do not have to meet the requirements of providing all of the Essential Health Benefits outlined in the ACA.

What Are the Benefits for my Association?

- *Provide a much needed benefit that can bring many of your members into compliance with the Affordable Care Act. This also brings additional value to belonging to your association.*
- *Attract and retain membership. Benefits can be used as a useful recruiting tool..*
- *Increase your Associations revenues. The benefits programs you offer can generate new income from the plans that are offered. Also new members recruited will generate additional income in the form of membership fees and renewals, participation in conferences & training programs, and etc.*
- *Have the flexibility to offer plans of various affordability that comply with the ACA. Offer traditional insurance plan formats...but you can also offer compliant Minimum Essential Coverage (MEC) plans.*
- *Gain the experience of a noted Third Party Administrator in managing your plan.*
- *Gain guidance for your employers on the Affordable Care Act from an experienced consultant.*

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