

1 Introduced by Committee on Health Care

2 Date:

3 Subject: Health; health insurance; Department of Financial Regulation;  
4 association health plans

5 Statement of purpose of bill as introduced: This bill proposes to provide the  
6 Department of Financial Regulation with rulemaking authority to regulate  
7 association health plans to the extent permitted under federal law.

8 An act relating to regulation of association health plans

9 It is hereby enacted by the General Assembly of the State of Vermont:

10 Sec. 1. 8 V.S.A. § 4079a is added to read:

11 § 4079a. ASSOCIATION HEALTH PLANS

12 (a) As used in this section, “association health plan” means a policy issued  
13 to an association; to a trust; or to one or more trustees of a fund established,  
14 created, or maintained for the benefit of the members of one or more  
15 associations or a contract or plan issued by an association or trust or by a  
16 multiple employer welfare arrangement as defined in the Employee Retirement  
17 Income Security Act of 1974, 29 U.S.C. § 1001 et seq.

18 (b) The Commissioner may adopt rules pursuant to 3 V.S.A. chapter 25  
19 regulating association health plans to the extent permitted under federal law in  
20 order to promote the stability of Vermont’s health insurance markets, including

- 1 rules regarding licensure, solvency and reserve requirements, and rating
- 2 requirements.
- 3 Sec. 2. EFFECTIVE DATE
- 4 This act shall take effect on passage.