State	1. Does your State currently review rate increases for association and out-of-State trust coverage sold to individuals and small groups, regardless of whether the policies are sitused in or outside of their States?
AL	No.
CA	Prior to January 1, 2011, the California Department of Insurance (CDI) received rate filings for individual, and small group policies sold to California residents and groups, regardless of the situs of the policy. Rate filings for individual insurance policies were subject to actuarial review for compliance with loss ratio requirements. Rate filings for small group policies were reviewed for compliance with statutory requirements. CDI's database does not permit it to determine whether the small group rate filings were identified as involving policies sold through association groups, and California law does not require insurers to notify CDI as to whether the policies will be sold to an employer group or to an association group. Since January 1, 2011, insurers are required to file rates for individual, small group and large group policies with the California Department of Managed Health Care (DMHC), as well as with CDI, and the rates are now subject to actuarial review by both agencies. DMHC does not have small group plans sold via association plans. To date, CDI has not received any small group rate filings identified as involving association plans. Association coverage is not considered individual coverage in California (see California Insurance Code 10270.5(a)(3),(4)).
CO	Colorado currently has rate review authority for increases for policies sitused inside and outside of the state as long as the certificate was issued in Colorado. Colorado does not have rate review authority for certificates issued outside of Colorado
CT	CT views association business as group if there is a master policy issued to the association, and group health insurance except for HMOs is not required to file rates.
FL	Yes, but only the initial rates. These plans are not subject to annual filing requirements.
IA	No.
IL***	Yes, except where sold to valid employer group associations.
IN	Yes, IDOI reviews such filings.
KS	Yes
KY - Associations	No. Kentucky only reviews rate increases for association policies where the association is sitused inside the state.
KY - Employer Organized Associations*	Yes, under 304.17A-0954 DOI has authority to review rate increases for EOAs.
LA	No.
ME	Yes.
MN	Yes.
MS	Mississippi currently only reviews rates and rate modifications for plans sitused in Mississippi.

MT	Yes and No. Montana does not have formal rate review authority for ANY health insurance rates. However, we are currently reviewing rates as a result of the grant, using the commissioner's investigative authority, and through that process, we are reviewing the coverage described in Q #1. In addition, the Montana Department of Insurance requires that all policy and certificate forms issued to Montana residents be submitted for review and approval by our forms division, even if the form was issued to an association or trust situsued out of state.
NC	For coverage sold to individuals the Department only reviews the rate change submission for HHS rate review data requirements, but no law requires most insurers* to submit rate revisions on that type of business to the Department at all. For coverage sold to small employers, for most insurers* the Department has review authority over the rating factors utilized in this market and all changes to the factors must be submitted for our review. However, the Department is expecting the adoption of new prior approval authority over all small group health benefit plan rates as of July 1, 2011. At this time for purposes of rating, NC law treats individual association group plans as large group (meaning not true individual policy) accident and health insurance plans . However, for other purposes of our laws treat this business as "individual health insurance coverage" and requires compliance with the individual market provisions of HIPAA and the ACA for example. * HMOs and Medical Service Corporations must seek the Department's approval of their rates and/or rating factors utilized in their group rating formula prior to making changes to any of those.
ND	Yes.
NE	Nebraska does currently review rate increases for association and out-of-State trust coverage on certain health products. While we recognize extraterritorial jurisdiction over these products, it is problematic in the fact that we may not be aware of the group, or the group may not file rates appropriately.
NH	In theory, yes. Our laws require prior approval. After hearing some discussion in these work groups about what other States have found, i.e. reported Association experience on the Supplemental Health Care Exhibit without any prior rate filings, I suspect NH will find similar discrepancies. I haven't had an opportunity to research this.
OH	Yes, Ohio does review rate increases for this business as long as the policy, certificate, endorsement, rider, or application for coverage is delivered, issued for delivery, or used in Ohio.
OK	Oklahoma has not had authority to review rate increases on individual products, although we will have that authority as of August 26, 2011. On small group, all rate increases must be filed for approval, even if the association of trust is situsued out of state.
OR**	All health benefit plans covering employees of small employers (2 to 5) are subject to state rate review laws except an association or trust plan that meets specific requirements (see ORS 743.734(7) et seq.) is exempt from the rating requirements. Situs of the plan has no bearing on whether the plan is subject to Oregon law.
SC	No, we do not have the regulatory authority to review these rate filings.
SD	Yes.
TN	No

TX	The Texas Department of Insurance (Department) review process currently focuses on individual rate increases. Review of rate increase filings for association and out-of-State trust coverage sold to individuals or small groups, regardless of whether the policies are situsedin or outside of Texas, currently focuses on rates that are filed and complaints. The Department is in the process of expanding its review of health rate filings.
UT	Yes.
VA	Coverage issued to associations and trusts is considered group insurance in Virginia. Premium rates associated with contracts issued under group contracts are not subject to prior approval by the Bureau; they are simply "filed" with the Bureau for informational purposes. There is no similar filing requirement for premium rates issued under out of state group trusts.
WA	Washington reviews association health plan rates under the large group rating laws, which are different than the community rating requirements applicable to the individual and small group market. Out-of-state groups must meet the large group minimum loss ratio of 80% required for disability insurance companies. A limited number of self-funded Multiple Welfare Arrangements (MEWAs) – less than 4 – are regulated for solvency requirements under Chapter 48.125 RCW, but the Commissioner does not receive rate filings or review their rates.
WI	No. Group insurance rates are not required to be filed.
WV	Yes, rate filings are required for associations in our state.

State	2. How many such rate filings does your State receive for association and out-of-State trust coverage?
AL	N/A
CA	CDI's database does not identify association filings separately within small group filings, so this information cannot be provided
CO	Colorado received approximately 30 rate filings for individual associations. Small group associations are filed with other small group plans so we cannot track specific small group associations.
CT	If HMOs offer through associations, the rates would be part of their annual rate filing. Typically the rates for the association would be the same as their standard group rates and would not be filed for specific associations. If small groups are included in the association, the carrier must comply with the community rating requirement and rating restrictions in our small group laws. Because of this, most out of state trusts are for individuals only.
FL	We estimate that the number of filings is in single digits per year (less than 10), Based on a search of recent filings.
IA	Zero.
IL***	For the period 1/1/2010 to 12/31/2010 Illinois had a total of 84 association and out-of-State trust coverage rate filings. Thirty-three were filed as Association or Discretionary Group, 51 were filed as individual rate filings.
IN	The IDOI is unable to provide a definitive answer at this time as SERFF does not have a specific TOI for this product type.
KS	The state of Kansas considers this coverage to be small group and subject to our small group reform. This in part requires guaranteed issue to any small employer 2-50. As a result, we rarely see these marketing methods utilized in our state.
KY - Associations	We currently do not have an in-state association other than EOAs (which will be discussed below). We do not accept rate filings from out-of-state associations or trusts.
KY - Employer Organized Associations'	Last year, the Kentucky DOI received 24 annual rate filings and 46 amendments to rate filings.
LA	The Louisiana Department of Insurance (LDI) has received 103 Multiple Employer Trusts (MET) and/or small group, individual and association filings since July, 2007.
ME	About 10-12 per year.
MN	About 5-10 per year.
MS	Mississippi does not require that these rate filings be filed and therefore does not receive many.
MT	Employer Group Associations: 6 filings so far. Employer Group Trusts: 2 filings. Individual Market Association Coverage: 3 filings. There could be more of these types of filings, but this count represents those that the insurer has identified as such. Individual market associations are not always identified in filings, particularly in form filings.

NC	We are unable to provide any data as to the number of filings because we do not track filings by the delivery of the insurance policy mechanism (association, trust, etc). However, we have around 20 active insurers in the individual health insurance market; of which roughly 8 sell primarily association business. We have around 22 active insurers in our small employer group health insurance market according to the Department's records, but do not have information readily available on which of those insurers are marketing association business. Additionally, according to recent information collected from the majority of insurers who offer coverage in the individual market (non-employer sponsored market) in NC who cover at least 1000 lives, 5-6% of all covered lives are through association group plans.
ND	There are only two plans, one in the individual market and one in the small group market.
NE	We are unable to obtain this data.
NH	Little to none. NH law does not provide any rating advantage to selling health insurance through an association. The rates charged can not vary between groups and/or individuals belonging to an Association and those not belonging. Moreover, the carrier must actively market all of its products, i.e. only marketing through an Association would likely violate this requirement. Qualified associations may vary rates based on their experience vis-a-vis the rest of the market; but its difficult to get certified as a qualified association.
OH	Ohio can only track association business that's marketed to individuals currently in our filing statistics. Ohio received 72 non-employer association filings out of a total of 191 total individual market filings in 2010.
OK	That information is not available.
OR**	Rate filings are not specific to an association or trust. Instead they are specific to the plan issued by the insurer. In 2010, we approved 20 small employer rate filings in 2010.
SC	We do not receive these rate filings. See answer to question number 1.
SD	We approve very few association and trust plans in the first place; secondly the requirement to review association rates just became effective last July. To the best of our knowledge there has been one such rate filing.
TN	N/A
TX	Although not required to be filed, for the time period of January 1, 2010 through June 1, 2011, the number of rate filings received by the Department for associations was 36. No rates were filed for out-of-State trusts.
UT	We don't track them separately.
VA	We have no records of this information available.
WA	The data is for 2010. Health Care Service Contractors and Health Maintenance Organizations: 42 rate filings, Disability carriers: 27 rate filings.
WI	N/A
WV	We do not track the filings related to associations. However, it is a small number.

State	3. How prevalent are association and out-of-State trust coverage arrangements? What percentage of individual market and small group market business is sold through associations and out-of-State trusts in your State?
AL	N/A
CA	CDI does not know with certainty, but our impression, is that such filings constitute a very small (5% or less) of the total filings.
CO	For small group coverage, we cannot track the information on policies sold through an association. These policies are typically included as a subset of plan designs available only to eligible groups. For individual association business, the associations make up approximately 1.6% of the market.
CT	We do not track market data.
FL	The individual market direct earned premiums are $2,009,538,450. Out of State Individual Market Direct Earned Premiums are $496,334,688. This equates to 24.7% of the market are for out of state arrangements. The Small Group Market earned premiums are $4,084,948,098. Out of state Small Group Market direct earned premiums are $32,765,722. This equates to 0.8%, roughly 1% of the market for out of state small group market arrangements.
IA	Anecdotally, we suspect that the market share for associations and out-of-state trusts as it relates to individual business could be significant. A survey would be necessary in order to provide a precise answer, however; based on our knowledge of some associations of which we are aware, the market share could be large. We suspect the same for the small group segment, but a survey would be needed as well.
IL***	Statistically, we are not able to identify discretionary and association groups issued through out-of-state trusts; however, the two attached spreadsheets identify those companies writing association group business and discretionary group business. Based upon "Policy" versus "Certificate" counts, you can reasonably identify those companies that appear to be issuing individual business through these groups. Based upon the Policy In Force Count, the top 5 products written through each are: Discretionary Group Accident Only 2,264,241 Dental/Vision 198,128 Credit Disability 159,865 Cancer/Specified Disease 64,358 Short Term 25,268 Association Group Dental/Vision 489,991 Credit Disability 89,251 Major Medical 86,221 Accident Only 31,981 Disability Income 23,399
IN	The IDOI is unable to provide a definitive answer at this time as stated in question 2. Additionally, this data is omitted on the Supplemental Health Care Exhibit (SHCE).

KS	We have no statistics on this but estimate that less than 1/2 of 1% of the people insured in the group market are covered in such arrangements.
KY - Associations	Associations are not prevalent in Kentucky. See response to question 2.
KY - Employer Organized Associations*	EOAs represent a sizable population of the small employer market (approx 78000 lives) This coverage represents approximately 29% of the Kentucky-regulated small group market.
LA	The LDI does not track this data, and therefore, cannot discern this information; Total premiums in our major medical market for calendar year 2010 is $2,817,957,462.00. Of this total, individual association major medical premium is $4,006,092.00 (less than 1%) and small group association major medical premium is $114,933. (less than 1%). We do not compile premium information for out-of-state trusts.
ME	Most carriers writing through out-of-state associations or trusts do not offer coverage in Maine due to guaranteed issue and community rating requirements. With one exception, all of the associations are in-state professional or trade associations. The exception is an agricultural cooperative based in New York State. Association business represents less than 1% of the small group market and only a handful in the individual market.
MN	Unknown.
MS	While these do exist in Mississippi, they are not very prevalent.
MT	Approximately **66%** of the small employer group market in Montana is issued through "bona fide" associations situsted in Montana. This number is an estimate because a small percentage of coverage issued through those associations may occasionally be issued to employers with over 50 employees. Our current rate filings show that only 2.5% of individual market coverage is sold through associations. However, this number may not be accurate, so we are pursuing this information through our forms division as well. Health insurance policy/certificate forms must comply with Montana law. In many cases, we apply group law requirements; but with regard to certain HIPAA requirements, we apply individual market laws. We have fined companies for not complying with Montana law when they issue coverage through out-of-state trust or association coverage. Our current rate filings show that only 4% of employer group coverage is sold through out of state trusts.
NC	We are unable to provide any data as to the number of filings because we do not track filings by the delivery of the insurance policy mechanism (association, trust, etc), but we give an approximate market share of these plans in the individual health insurance market in response to #2. We do not have the market share information for the small group market.
ND	Less than 1%.
NE	While not prevalent, they are a factor in Nebraska. Less than 10% of small group markets are sold through associations and out-of-state trusts.
NH	I expect not prevalent. I don't have any statistics.
OH	Currently Ohio can only track association business that's marketed to individuals in our policy count, covered lives and earned premium statistics. These statistics are based upon self-reported company amounts that are certified by a company officer as to accuracy. Currently 67% of individual market policies are written via association business, 72% of individual market coverage lives are written via association business, and 71% of individual market earned premium are written via association business.

OK	Unknown; we are not aware of any out of state trust coverage arrangements for small group. We have no means of identifying such arrangements for individual coverage.
OR**	In 2009, approximately 5.7 percent of, or 213,000, Oregonians received health insurance coverage through an association or trust. During the same year, 193,000, or 5.2% of, Oregonians purchased coverage in the individual market; and 228,000, or 6.1% of, Oregonians received coverage through the small group market. As of March 30, 2011, 166, 865 Oregon residents received coverage in the individual market; 205,564 Oregonians received coverage in the small group market; and 178,431 Oregon residents received coverage through associations. We track associations separately and not as a percentage of the individual or small group markets. Although individuals may purchase coverage through an association, such coverage would be considered group coverage.
SC	We have very limited data on associations since they do not file with the Department. However, we do know our Blue Cross carrier in the state will be selling through the association model effective this year.
SD	Less than 2% of the SD individual market. There are no known plans marketing association (other than affiliation arrangements where there is no masterpolicy) or out of state trusts to employers in SD.
TN	Anecdotal information from people complaining or making inquiries indicates a degree of prevalence. Percentage is unknown.
TX	Based on the responses to a Department Data Call sent out on April 20, 2011, for the reporting period of January 1, 2010 through December 31, 2010, association premium totaled over $221 million or four percent of the total of Texas individual, small group, and association premiums combined. Because the Data Call did not address out-of-State trust coverage arrangements, no data regarding out-of-State trusts is available.
UT	Majority of arrangements are out of state. They are a small percentage but do cause many significant issues.
VA	This information is not available; however, we have inferred from past external data sources that association and out-of-state trust business comprises about one-third of the total individual market.

WA	Prevalence**:** Data from the Insurance Commissioner's Office indicates that there are over 485,000 Washington enrollees currently covered via association and out of state association or trust coverage arrangements. This total slightly exceeds the number of non-association enrollees in the Washington state individual and small group markets combined (472,000). Percentage of individual and small group market business sold through associations and out-of-State trusts: OIC staff estimate that: • 17,000 persons who would be in the Washington state individual market are currently covered by associations. This represents nearly 6 % of the current fully regulated individual market. • 214,000 potential members of the Washington state small group market are currently covered by association plans. This represents 122% of the current fully regulated small group market. • The remaining 253,000 estimated enrollees in the Washington state association health plan market would otherwise be in the large group market—and would add over 50% to the enrollment in that market. Approximately 55,000 of this enrollment group appears to come from employers with 51-100 employees.
WI	Based on a recent survey, we estimate that association group sold on an individual basis is 30% of the individual market in Wisconsin. We don't have an estimate for the small group market, but believe it is very small.
WV	Again this is not tracked but we would estimate it is a small amount around 5% or less.

State	4. Are association and out-of-State trust coverage purchased by individuals and small groups in your State? Where are the out-of-State trusts typically sitused?
AL	N/A
CA	Unknown. No particular state has been identified.
CO	Our largest association is sitused in Illinois. We do not track the situs in general of associations and out-of-state trusts.
CT	We are aware of local associations and out of state trusts. I do not have information readily available on the locations of the trusts. Generally out of state trusts will not offer to small employer groups in CT because the small employer rating laws apply.
FL	It is difficult to tell where people purchase their coverage unless the plans are required to file with the state and then continue to make some type of annual rate certification or filing. Since associations and out-of-state trust are not required to file annually, Florida does not have information of this nature available; From the information we have available: North Carolina, Massachusetts, Illinois & DC are four of the states that we are aware of where the arrangements are sitused.
IA	Yes. The out-of-State trusts seem to be typically sitused in Delaware and Alabama.
IL***	Yes. Based upon received complaints, we know of over 30 out-of-state trusts. See "Association and Trust in Illinois" attachment.
IN	Yes, such coverage transactions occur in Indiana. The IDOI does not have an exhaustive list; however we are aware of contracts sitused out of CA, IL, DE, IA, ME, MO and UT.
KS	Not enough data to report.
KY - Associations	See response to question 2. This type of coverage is typically purchased as individual coverage from associations/trusts sitused in Washington, DC.
KY - Employer Organized Associations*	This type of covered is typically purchased by small employers from trusts that are sitused in Kentucky.
LA	Yes; There is no typical situs. Our records indicate they are located in various locations.
ME	See 3 above re associations. No out-of-State trusts write individual or small group coverage in Maine.
MN	Yes. They can be sitused anywhere--no pattern has been observed.
MS	We do not currently have data on hand that would allow us to make an informed response to this question.
MT	Montana has a large amount of small employer group coverage issued through employer group associations which are sitused in Montana. Trusts and individual market associations are sitused in a variety of other states—we cannot point out just one state.
NC	Yes it is possible that individuals or small employers in NC would/could purchase their health insurance through an association or out-of-state trust. In such situations the certificates of insurance issued under the group policy issued to the association or the out-of-state trust are specifically subject to the Department's prior approval authority, additionally, the small group coverage would be rated on a single employer group basis pursuant to our small group rating laws . Through the NCDOI consumer complaint review process, the Department has observed that many of the questionable association/trust arrangements involve group policies with an association sitused in Illinois.

ND	Yes, sitused in DC. (With only two plans, not really "typical".)
NE	Association and out of state trusts are purchased by individuals in Nebraska. Most of the out-of-state trusts are typically sitused in Illinois, Washington DC, however we have seen these groups sitused in Georgia, Oklahoma, Tennessee and Missouri.
NH	Don't know where they are typically sitused.
OH	Anecdotally, Delaware and Washington D.C. seem to be more popular jurisdictions for trust situs. Please note, Ohio does not officially keep track of this data.
OK	The extent of association and out of state trust coverage in Oklahoma is unknown.
OR**	They are located throughout the country and not typically in any particular state. As of June 8, 2011 there are 36 states that have an active or pending trust/association/MEWA filed with the division. A total of 472 trusts/associations/MEWAs have been filed and are active or pending. The following is the state, the number of associations/trusts/MEWAs sitused in the state and the percentage of total: OR 179 38%, DC 50 11%, IL 29 6%, MO 23 5%, CA 20 4%, VA 20 4%, TX 17 4%, RI 14 3%, WA 11 2%, NY 9 2%, 25 states have less than 1%.
SC	While we are confident that trust coverage is being purchased by individuals and small groups in our state, we have no data on this market.
SD	For those few that are approved, individuals can purchase such association plans. To the best of our knowledge there are no currently approved out of state association or out of state trusts issued to small employers. We have not tracked the situs of the master policies.
TN	Yes. Illinois.
TX	Associations and out-of-State trust coverage are purchased by individuals and small groups in Texas. For the two out-of-State trust agreements received by the Department during the time period of January 1, 2010 through June 1, 2011, one was sitused in Delaware and the other was sitused in Illinois.
UT	Yes; Unknown.
VA	This information is not available.
WA	Health care service contractors and health maintenance organizations writing association business are typically written for associations sitused in Washington State. Most (95%) of the association health plan, MEWA, or trust enrollees in Washington state are being served by a Washington-based plan. The other 5% of these enrollees are served by an out-of-state plan, mostly scattered among plans based in Texas and Maryland. Out-of-state trusts offering association plans are typically sitused in Delaware, with at least one sitused in Illinois, to our knowledge. The vast majority (98%) of association coverage bought by individuals in Washington State is from out-of-state associations. In contrast, over 95% of the association health plan enrollees from small businesses (1-50 employees) are being covered by in-state plans or trusts. Over 95% of the large group enrollees in association health plans are also covered through in-state associations or trusts.
WI	Yes. Illinois, Texas, Alabama, and Washington D.C.
WV	Yes, they are purchased by individuals and groups.

State	5. Why do some individuals and small employers purchase coverage through associations and out-of-State trusts rather than the traditional markets? Are there particular groups of individuals or types of small employers that typically purchase coverage through associations and out-of-State trusts? What organizations (other than issuers) typically sponsor, endorse, or market association and out-of-State trust arrangements?
AL	N/A
CA	CDI does not know with certainty, but our impression is for reasons such as price, availability and affinity with the association. CDI does not know with certainty, but our impression is people such as those who are unable to obtain coverage elsewhere, people who are self employed, those who are unemployed. CDI does not know with certainty, but our impression is professional organizations, alumni associations, farm bureaus, AARP, etc.
CO	There is a slight mismatch in mandates between individual and association coverage in Colorado. In addition some carriers believed that association business would have less regulatory oversight than individual coverage. One factor minimizing the growth of the association market in Colorado has been the interpretation that association business will be judged against our higher group coverage loss ratio guideline.
CT	The price may be cheaper for individuals or the underwriting may be less restrictive in the association. In CT, the small employer rating restrictions and community rating requirement apply to small employers whether sold directly or through associations. In CT, we have association business offered through Chambers of Commerce and the Connecticut Business and Industry Association. There are also professional or trade associations and groups such as AARP. We don't track this information.
FL	Employers can request and receive benefit packages that are less richer in benefits than those typically offered by insurance companies, avoid mandated benefits. The employer may be able to self-insure a portion of the coverage either on the front side of the plan, back side of the plan or have coverage to begin with for a small amount, have a break in coverage where the employer self-insures the group then the association picks up after a certain attachment point has been met (corridor coverage).The employer who self-insures to a certain amount on the front side generally holds the belief that he/she won't be faced with the full amount of the claim or if he/she is, that they can afford to pay for it. Small employers can get into financial problems if they self-insure for a specific amount (say $20,000 per employee) and have several claims that meet the amount that they have self-insured for before the association coverage/trust coverage kicks in. Employers want to give their employees benefits and find that many times the benefits offered by these plans are plans they can afford to purchase even though they realize the coverage does not have all the "bells & whistles" that some of the Major Medical plans do that are offered by insurance companies that write individual and small group coverage in their state offer. Traditional markets sometimes make it harder to get coverage issued due to the application process. Even thought small group coverage is guaranteed issue, the insurers have specific underwriting procedures that they adhere to in order to accurately place the business in the right premium class. Some of the associations and out-of-state trusts have more simplified procedures that make entry into the coverage easier. Some employers don't understand that the coverage they are purchasing is not "traditional" insurance coverage. They do not understand that there are no protections afforded to them by their state insurance departments when they purchase the association or trust coverage. There is no particular "type" of small employer or group of individual that typically purchase coverage through associations or out-of-state trust but the trend is one of employers and individuals who are trying to secure coverage in a very competitive market place where cost containment is difficult, prices continue to rise and some coverage is perceived to be better than no coverage at all. The person who purchases coverage from these entities is looking for affordable coverage to meet the needs of their workforce, family or for themselves while still
IA	Anecdotally, we suspect that some carriers have done this to escape prior approval from certain states. Other carriers may have unique arrangements with the association to share administrative costs (lower commissions, education, benefit summaries, advertising, and wellness initiatives). This would allow them to have lower premiums.
IL***	See "Association and Trust in Illinois" attachment. It has been our experience that out-of-state association groups are used to avoid regulatory standards or take advantage of regulatory loop holes.

IN	The IDOI does not monitor or evaluate why coverage transactions amongst some employers occur through associations and out-of-State trusts rather than the traditional markets. These employers' business decisions would be pure conjecture on behalf of IDOI. To obtain accurate information concerning consumer and employer motivation, consumers, employers and agents should be consulted.
KS	These arrangements are typically not used in Kansas.
KY - Associations	DOI does not collect data regarding consumer choice. We would presume that the coverage is easier to access and less expensive than the individual market coverage for these individuals. The individuals may be more aware of the coverage option through direct solicitation of the association to its members. This coverage is usually sponsored or endorsed by a national professional or trade association.
KY - Employer Organized Associations*	DOI does not collect data regarding consumer choice. While the coverage may be less expensive then the small group market coverage available, the primary reason is likely the avoidance of administrative expensive and burdens. The trust model allows the small employers to pool administrative expenses and the EOA tends to assist the employers with other HR related issues (WC etc). The belief is that the aggregation of the small groups allows the trust to negotiate more aggressive rates with the carrier due to the EOA being a larger block of business.
LA	While we have not polled the citizens of our state, our records indicate coverages are purchased due to membership, convenience and/or price considerations; The LDI has no knowledge of this information; Organizations that require membership.
ME	See 3 above.
MN	Unknown. Unknown.
MS	We do not currently have data on hand that would allow us to make an informed response to this question.
MT	Montana has an old small employer group law (1993) that allows bona fide associations to be treated as "one employer;" thereby inferring that all members of that association are "employees" of the association, even though for ERISA purposes, those members usually would not be considered employees of the association. Because of this old law, these associations consider themselves to be subject to "large" employer group law, instead of small employer group law. As a result, the insurers who issue "bona fide" (based on the Montana definition of bona fide) association coverage sold to small employers in Montana usually do not comply with small employer group rate band law. Therefore, small employer groups purchasing through an association may be quoted a rate that is lower than the bottom rate band or quoted a rate that is higher than the highest band rate allowed. This means that younger, healthier groups may receive a rate that is lower than they can get in the regulated small group market and that is why they choose association coverage. Individual market association coverage and coverage sold through out of state trusts is more difficult to explain. In the past, some insurers believed that coverage sold through associations and trusts situsued out of state was not subject to the laws of the state where the risk resided. Montana and many other states do not agree and have taken increased enforcement measures in last decade in order to eliminate coverage sold that does not comply with state law. Many people who purchase association coverage are not even aware that they are joining an association. They are just looking for the best price. In Montana, by far the most common association products are employer group health plan products sold through the chamber of commerce or the national federal of independent business (NFIB).

NC	Unfortunately, the perception of low premium rates and the perception of comprehensive benefits combined with the failure of purchasers to comparison shop and do their proper due diligence may offer some explanation as to " why". It is becoming increasingly apparent that coverage marketed through associations and out-of-state trusts is all too often being sold by aggressive sales agents using high pressure sales tactics, misrepresentation of benefits, deceptive advertising, and internet marketing abuses. It's imperative that insurance regulators be able to identify these questionable associations (i.e., those that are organized and maintained for purposes of selling insurance, and which have no other genuine interest in their members) and take appropriate action against the insurance companies and agents involved with them . In some instances, agents and marketers themselves create, operate and fully control all aspects of the association to support their insurance marketing activities.
ND	Perhaps because of other member benefits….With only two plans in ND, the market is too small to determine.
NE	Individuals purchase coverage through associations and out-of-state trust rather than the traditional markets mostly due to accessibility and cost. Many of these individuals are members of a "group" which gives them access to insurance without underwriting. Many self-employed individuals, such as farmers purchase coverage through associations and out-of-state trusts. One organization that typically sponsors these arrangements is the National Association of Self-employed. Financial institutes also typically sponsor these arrangements.
NH	In NH, the laws essentially take away any advantage that an association might enjoy as an alternative marketing method. A qualified association may employ a factor representative of its experience vis-a-vis the market. There are 3 registered, qualified associations in NH. They enjoy a slight rating advantage. Other than that, its difficult to imagine why consumers would purchase through an association.
OH	The premium dollar for a small employer goes farther when they are part of a larger "group" in an association. Additionally, organizations such as the chamber or professional associations have been able to increase membership and perhaps receive financial benefits from offering health insurance to their members. These arrangements have become popular to the point that some insurers have partnered with various types of associations in order to market directly to small employer groups taking advantage of the large group concept. Because of Ohio's broad definition of group (two or more employees or members), potentially, all legal associations can qualify as a "group." This same cost-savings potential and marketing arrangement can apply to consumers in the individual market.
OK	Our response is only speculation, but it seems that price would be the main reason.
OR**	It is difficult to generalize. Obviously purchasers of health insurance make buying decisions like any consumer, based on need, value, cost, available alternatives, benefits, etc. Some associations may be able to offer more plans from more carriers than a typical small employer is capable of offering. Some association members may purchase health insurance from their association because of the relative ease and availability of the product (there is no need to find an agent, review multiple plans to determine which to offer, etc.). Some purchasers may see health insurance as one of the benefits of membership in the association. Lower cost is often cited as a reason, and some association plans offer a richer mix of benefits than typically available to smaller employers. Trade groups, charities, clubs, employer trusts, federal employer groups (many military-related), AARP, Costco. Brokers are often instrumental in the establishment, marketing, and running of association plans.
SC	As part of our Rate Review Grant, we will be contracting with an actuarial consulting firm to study health insurance rates in South Carolina. They will be looking into the association trust market.
SD	The only active association plan (Communicating for America)being offered in the major medical market in SD is for individuals rather than employers. Their marketing niche has been rural but we are unable to provide any data on the reasons individuals may have chosen this coverage as opposed to a traditional plan. We only approve associations and trusts that are true groups. See ARSD 20:06:42 and Bulletin 98-6.

TN	We speculate it relates to human nature -- sponsorship/marketing/appearance of a recommendation from a group the buyer considers reputable. Many who contact us do not know they have purchased coverage outside the "traditional" market. AARP, professional associations.
TX	The Department does not have enough data available to adequately and statistically provide an answer to question five.
UT	Unknown; Unknown; Very few are legitimate. Due to fraudulent activities increasing in this market, Utah has been strengthening their regulation of trusts and associations by making changes to the laws and increasing the level of review.
VA	This information is not available.
WA	Because association or member governed plans are exempt from Washington's community rating and small group guaranteed issue laws, association plans are able to design rating and underwriting criteria allowing for better selection of risk on both a health status as well as a minimum group size basis. Association plans therefore can alter the rate a small employer pays if an individual in the group has high utilization due to illness or injury. Individuals who meet the minimum eligibility and underwriting requirements established by the association plan are also able to select based on price. Cost and eligibility drive the decision to purchase coverage through an association plan. Nature of the Association Health Plan Purchasers In 2006, union and multi-employer trusts only made up 10.4% of the member-governed enrollment in the state; public entities (municipalities, counties, etc.) accounted for another 9% of the total. Contractor associations made up 17.5% of the 2006 total but their enrollment has since declined by approximately 30%. By far, the largest association plan was for public school teachers and classroom assistants through their state association, which had 21.7% of the 2006 enrollment and appears to have retained over 94% of their enrollment since. Other major, non-insurer sponsors in 2006 include business associations (chambers of commerce and the Association of Washington Business), an employer association providing human resources services and a joint trust arrangement, a big box retailer which has business "memberships," the Washington Farm Bureau, and various banking, technology and software associations. Enrollees in insurer-sponsored associations represent at least 24% of the total.
WI	Group premiums are generally less than coverage through traditional markets. Some of the coverages offered through associations and trusts also have a 2 or 3 year premium rate guarantee. Association membership often offers individuals other benefits and services besides insurance coverage. Consumer, business and trade groups often make available insurance coverage through an association.
WV	Many of the associations are business or industry related.

State	5. Why do some individuals and small employers purchase coverage through associations and out-of-State trusts rather than the traditional markets? Are there particular groups of individuals or types of small employers that typically purchase coverage through associations and out-of-State trusts? What organizations (other than issuers) typically sponsor, endorse, or market association and out-of-State trust arrangements?
AL	N/A
CA	CDI does not know with certainty, but our impression is for reasons such as price, availability and affinity with the association. CDI does not know with certainty, but our impression is people such as those who are unable to obtain coverage elsewhere, people who are self employed, those who are unemployed. CDI does not know with certainty, but our impression is professional organizations, alumni associations, farm bureaus, AARP, etc.
CO	There is a slight mismatch in mandates between individual and association coverage in Colorado. In addition some carriers believed that association business would have less regulatory oversight than individual coverage. One factor minimizing the growth of the association market in Colorado has been the interpretation that association business will be judged against our higher group coverage loss ratio guideline.
CT	The price may be cheaper for individuals or the underwriting may be less restrictive in the association. In CT, the small employer rating restrictions and community rating requirement apply to small employers whether sold directly or through associations. In CT, we have association business offered through Chambers of Commerce and the Connecticut Business and Industry Association. There are also professional or trade associations and groups such as AARP. We don't track this information.
FL	Employers can request and receive benefit packages that are less richer in benefits than those typically offered by insurance companies, avoid mandated benefits. The employer may be able to self-insure a portion of the coverage either on the front side of the plan, back side of the plan or have coverage to begin with for a small amount, have a break in coverage where the employer self-insures the group then the association picks up after a certain attachment point has been met (corridor coverage).The employer who self-insures to a certain amount on the front side generally holds the belief that he/she won't be faced with the full amount of the claim or if he/she is, that they can afford to pay for it. Small employers can get into financial problems if they self-insure for a specific amount (say $20,000 per employee) and have several claims that meet the amount that they have self-insured for before the association coverage/trust coverage kicks in. Employers want to give their employees benefits and find that many times the benefits offered by these plans are plans they can afford to purchase even though they realize the coverage does not have all the "bells & whistles" that some of the Major Medical plans do that are offered by insurance companies that write individual and small group coverage in their state offer. Traditional markets sometimes make it harder to get coverage issued due to the application process. Even thought small group coverage is guaranteed issue, the insurers have specific underwriting procedures that they adhere to in order to accurately place the business in the right premium class. Some of the associations and out-of-state trusts have more simplified procedures that make entry into the coverage easier. Some employers don't understand that the coverage they are purchasing is not "traditional" insurance coverage. They do not understand that there are no protections afforded to them by their state insurance departments when they purchase the association or trust coverage. There is no particular "type" of small employer or group of individual that typically purchase coverage through associations or out-of-state trust but the trend is one of employers and individuals who are trying to secure coverage in a very competitive market place where cost containment is difficult, prices continue to rise and some coverage is perceived to be better than no coverage at all. The person who purchases coverage from these entities is looking for affordable coverage to meet the needs of their workforce, family or for themselves while still
IA	Anecdotally, we suspect that some carriers have done this to escape prior approval from certain states. Other carriers may have unique arrangements with the association to share administrative costs (lower commissions, education, benefit summaries, advertising, and wellness initiatives). This would allow them to have lower premiums.
IL***	See "Association and Trust in Illinois" attachment. It has been our experience that out-of-state association groups are used to avoid regulatory standards or take advantage of regulatory loop holes.

IN	The IDOI does not monitor or evaluate why coverage transactions amongst some employers occur through associations and out-of-State trusts rather than the traditional markets. These employers' business decisions would be pure conjecture on behalf of IDOI. To obtain accurate information concerning consumer and employer motivation, consumers, employers and agents should be consulted.
KS	These arrangements are typically not used in Kansas.
KY - Associations	DOI does not collect data regarding consumer choice. We would presume that the coverage is easier to access and less expensive than the individual market coverage for these individuals. The individuals may be more aware of the coverage option through direct solicitation of the association to its members. This coverage is usually sponsored or endorsed by a national professional or trade association.
KY - Employer Organized Associations*	DOI does not collect data regarding consumer choice. While the coverage may be less expensive then the small group market coverage available, the primary reason is likely the avoidance of administrative expensive and burdens. The trust model allows the small employers to pool administrative expenses and the EOA tends to assist the employers with other HR related issues (WC etc). The belief is that the aggregation of the small groups allows the trust to negotiate more aggressive rates with the carrier due to the EOA being a larger block of business.
LA	While we have not polled the citizens of our state, our records indicate coverages are purchased due to membership, convenience and/or price considerations; The LDI has no knowledge of this information; Organizations that require membership.
ME	See 3 above.
MN	Unknown. Unknown.
MS	We do not currently have data on hand that would allow us to make an informed response to this question.
MT	Montana has an old small employer group law (1993) that allows bona fide associations to be treated as "one employer;" thereby inferring that all members of that association are "employees" of the association, even though for ERISA purposes, those members usually would not be considered employees of the association. Because of this old law, these associations consider themselves to be subject to "large" employer group law, instead of small employer group law. As a result, the insurers who issue "bona fide" (based on the Montana definition of bona fide) association coverage sold to small employers in Montana usually do not comply with small employer group rate band law. Therefore, small employer groups purchasing through an association may be quoted a rate that is lower than the bottom rate band or quoted a rate that is higher than the highest band rate allowed. This means that younger, healthier groups may receive a rate that is lower than they can get in the regulated small group market and that is why they choose association coverage. Individual market association coverage and coverage sold through out of state trusts is more difficult to explain. In the past, some insurers believed that coverage sold through associations and trusts situsued out of state was not subject to the laws of the state where the risk resided. Montana and many other states do not agree and have taken increased enforcement measures in last decade in order to eliminate coverage sold that does not comply with state law. Many people who purchase association coverage are not even aware that they are joining an association. They are just looking for the best price. In Montana, by far the most common association products are employer group health plan products sold through the chamber of commerce or the national federal of independent business (NFIB).

NC	Unfortunately, the perception of low premium rates and the perception of comprehensive benefits combined with the failure of purchasers to comparison shop and do their proper due diligence may offer some explanation as to " why". It is becoming increasingly apparent that coverage marketed through associations and out-of-state trusts is all too often being sold by aggressive sales agents using high pressure sales tactics, misrepresentation of benefits, deceptive advertising, and internet marketing abuses. It's imperative that insurance regulators be able to identify these questionable associations (i.e., those that are organized and maintained for purposes of selling insurance, and which have no other genuine interest in their members) and take appropriate action against the insurance companies and agents involved with them . In some instances, agents and marketers themselves create, operate and fully control all aspects of the association to support their insurance marketing activities.
ND	Perhaps because of other member benefits….With only two plans in ND, the market is too small to determine.
NE	Individuals purchase coverage through associations and out-of-state trust rather than the traditional markets mostly due to accessibility and cost. Many of these individuals are members of a "group" which gives them access to insurance without underwriting. Many self-employed individuals, such as farmers purchase coverage through associations and out-of-state trusts. One organization that typically sponsors these arrangements is the National Association of Self-employed. Financial institutes also typically sponsor these arrangements.
NH	In NH, the laws essentially take away any advantage that an association might enjoy as an alternative marketing method. A qualified association may employ a factor representative of its experience vis-a-vis the market. There are 3 registered, qualified associations in NH. They enjoy a slight rating advantage. Other than that, its difficult to imagine why consumers would purchase through an association.
OH	The premium dollar for a small employer goes farther when they are part of a larger "group" in an association. Additionally, organizations such as the chamber or professional associations have been able to increase membership and perhaps receive financial benefits from offering health insurance to their members. These arrangements have become popular to the point that some insurers have partnered with various types of associations in order to market directly to small employer groups taking advantage of the large group concept. Because of Ohio's broad definition of group (two or more employees or members), potentially, all legal associations can qualify as a "group." This same cost-savings potential and marketing arrangement can apply to consumers in the individual market.
OK	Our response is only speculation, but it seems that price would be the main reason.
OR**	It is difficult to generalize. Obviously purchasers of health insurance make buying decisions like any consumer, based on need, value, cost, available alternatives, benefits, etc. Some associations may be able to offer more plans from more carriers than a typical small employer is capable of offering. Some association members may purchase health insurance from their association because of the relative ease and availability of the product (there is no need to find an agent, review multiple plans to determine which to offer, etc.). Some purchasers may see health insurance as one of the benefits of membership in the association. Lower cost is often cited as a reason, and some association plans offer a richer mix of benefits than typically available to smaller employers. Trade groups, charities, clubs, employer trusts, federal employer groups (many military-related), AARP, Costco. Brokers are often instrumental in the establishment, marketing, and running of association plans.
SC	As part of our Rate Review Grant, we will be contracting with an actuarial consulting firm to study health insurance rates in South Carolina. They will be looking into the association trust market.
SD	The only active association plan (Communicating for America)being offered in the major medical market in SD is for individuals rather than employers. Their marketing niche has been rural but we are unable to provide any data on the reasons individuals may have chosen this coverage as opposed to a traditional plan. We only approve associations and trusts that are true groups. See ARSD 20:06:42 and Bulletin 98-6.

TN	We speculate it relates to human nature -- sponsorship/marketing/appearance of a recommendation from a group the buyer considers reputable. Many who contact us do not know they have purchased coverage outside the "traditional" market. AARP, professional associations.
TX	The Department does not have enough data available to adequately and statistically provide an answer to question five.
UT	Unknown; Unknown; Very few are legitimate. Due to fraudulent activities increasing in this market, Utah has been strengthening their regulation of trusts and associations by making changes to the laws and increasing the level of review.
VA	This information is not available.
WA	Because association or member governed plans are exempt from Washington's community rating and small group guaranteed issue laws, association plans are able to design rating and underwriting criteria allowing for better selection of risk on both a health status as well as a minimum group size basis. Association plans therefore can alter the rate a small employer pays if an individual in the group has high utilization due to illness or injury. Individuals who meet the minimum eligibility and underwriting requirements established by the association plan are also able to select based on price. Cost and eligibility drive the decision to purchase coverage through an association plan. Nature of the Association Health Plan Purchasers In 2006, union and multi-employer trusts only made up 10.4% of the member-governed enrollment in the state; public entities (municipalities, counties, etc.) accounted for another 9% of the total. Contractor associations made up 17.5% of the 2006 total but their enrollment has since declined by approximately 30%. By far, the largest association plan was for public school teachers and classroom assistants through their state association, which had 21.7% of the 2006 enrollment and appears to have retained over 94% of their enrollment since. Other major, non-insurer sponsors in 2006 include business associations (chambers of commerce and the Association of Washington Business), an employer association providing human resources services and a joint trust arrangement, a big box retailer which has business "memberships," the Washington Farm Bureau, and various banking, technology and software associations. Enrollees in insurer-sponsored associations represent at least 24% of the total.
WI	Group premiums are generally less than coverage through traditional markets. Some of the coverages offered through associations and trusts also have a 2 or 3 year premium rate guarantee. Association membership often offers individuals other benefits and services besides insurance coverage. Consumer, business and trade groups often make available insurance coverage through an association.
WV	Many of the associations are business or industry related.

State	6. How do rate increases for association and out-of-State trust coverage sold to individuals and small groups compare to rate increases in the traditional market? What explains the differences (if any) between rate increases for association and out-of-State trust coverage and traditional market coverage?
AL	N/A
CA	Unknown. Not applicable
CO	The rate increases for associations tend to be in line with rate increases from smaller carriers, which typically issue association plans. Smaller carriers tend to have higher rate increases than the market average so the overall rate increases for associations tend to be higher than the market average.
CT	Information not available.
FL	Florida does not do an annual review of rates on these products. Although rates were determined to be reasonable in relation to premiums at the time the policy form was approved, we cannot be certain that relationship still exists.
IA	Since Iowa does not collect rate increase information for associations and out-of-state trusts (they are not required to file), we cannot answer without a survey. The rate increases would be essentially identical to their other lines of individual business for the state's largest individual association measured by premium volume and covered lives. It should be noted that even though Iowa does not have prior approval authority for associations and out-of-state trusts in the individual market, this business is still protected by the statutory rating restrictions in 513C of the Iowa code. The basic idea behind the rate restrictions is that all individual blocks sold on or after 4-1-1996 are bound together like this: 1. The base rates (between all forms/blocks) have to be within 2:1 of each other. 2. The maximum rate increase differential (between all forms/blocks) must be within 15% of each other. Example: If the lowest rate increase for Block A = 5%, then Block B can be no more than 20% no matter how high the loss ratios are.
IL***	Insufficient data to comment.
IN	For the reasons stated in questions 2 and 3 above, IDOI is unable to provide a thorough analysis at this time.
KS	We do not have enough data to report.
KY - Associations	We are unable to make this comparison.
KY - Employer Organized Associations*	With regard to the filings received by DOI, this coverage/rate increases appear to be comparable to the small group market coverage
LA	The LDI has not compiled this data, therefore it is not available; The LDI is unable to determine this information.
ME	No notable difference.
MN	We have not compared the rate increase levels.
MS	We do not currently have data on hand that would allow us to make an informed response to this question.
MT	We have not completed the rate review we are currently conducting under the rate grant, and therefore we cannot answer this question yet. We may be able to provide more information in another 30 days. One difference we know of now is that employer group association coverage issued in Montana often does not follow the legal restrictions for small employer group coverage that applies to rate increases on renewal (+/- 15%).

NC	We do not collect this information.
ND	There doesn't appear to be much difference; however, with the small market in ND, that data is not credible.
NE	Rate increases for association and out-of-state trust coverage are very comparable to the traditional market.
NH	In theory, there should be no difference... unless its a qualified association trust... and then the difference, if any, would only be based on experience.
OH	For individual coverage via non-employer association group contracts, renewal underwriting and re-rating is allowed each year without a rate increase filing. Traditional individual insurance policies do not allow renewal underwriting and require rate increases to be implemented via rate filings (except for changes in age, area, or family structure). Due to this difference in rating, rate increase filings should be lower for individual coverage via non-employer group contracts than for traditional individual insurance, even though premium rate increases that include renewal underwriting/re-rating may be higher.
OK	Can't compare in the individual market because until we can begin exercising our rate review authority later this summer, we've had no data. For small group, we would not expect to see any difference because all small group coverage is subject to our small employer health reform statute, which restricts the variance of rates between small employer groups.
OR**	As noted above, rate filings are submitted according to plan and are not specific to an association or trust. Large group rates are not reviewed.
SC	We have no data at present on rates for association coverage in South Carolina. See answer to question number 5.
SD	We have an insufficient number of association rate filings and no trust filings to make any comparison.
TN	Unknown.
TX	The Department does not have enough data available to adequately and statistically provide an answer to question six. However, small group coverage sold through an association must comply with statutory rating bands applicable to all small group coverage in Texas.
UT	Higher increases after issuance. Associations and trusts entice persons by offering lower premiums at issuance. Trends have shown at renewal they manipulate the rating laws through use of excessive trending, increases in rating factors to drive up premiums in later years; Associations and trusts do not appear to enter markets with the intent of longevity.
VA	This information is not available.

WA	Comparison of rate increases based on plan market: We receive the premium schedule and the benefit schedule for association health plans. However, we cannot compare the association health plan rate increases to other markets because, unlike rate filings received for the individual and small group markets, we do not receive the percentage of rate changes. The following table lists the individual and small group market average rate increases filed by health care service contractors and health maintenance organizations between 2007 and 2010. Individual Market Small Group Market 2007 9.1% 10.67% 2008 17.99% 11.96% 2009 16.52% 14.63% 2010 13.13% 15.36%
WI	Premium rates for group association and trust plans are not required to be filed with our office.
WV	In our market the association rates seem to be higher than for individuals or small group plans. The associations have higher rates as it appears they have a higher risk of business and they use duration in the rate development.

KY *
* Note: In Kentucky, we have special, statutorily defined entities called Employer-Organized Associations ("EOA") (See KRS 304.17A-005 and KRS 304.17A-954). EOAs are different from the association market, which is based upon an individual buying coverage from an association. EOAs do not seem to have the same types of regulatory issues as traditional association products, Kentucky is answering the below questions with regard solely to traditional association products. A second section will address EOAs and illustrate the differences between the two.

OR**
**You might find the following additional information useful as well. In Oregon, a carrier offering a health benefit plan to an association with small employer group members has three options for rating the association and its small employer group members:
1. The carrier may treat the association as a single large group. In this case, a carrier may use claims experience, and may use risk status or financial condition as criteria for premium rating, and the Division would not review the rate filing.
2. The carrier may treat small employer groups within the association as subsets for rating purposes. In this case, if the association health plan does not exclude any small employer groups that meet membership requirements and the plan meets the initial premium rate and retention rate requirements, as well as other qualifications set forth in ORS 743.734 (7), a carrier may use claims experience, and may use risk status or financial condition as criteria for premium rating. The claims experience factor is not subject to the small-group five percent limitation within the applicable rate band. When the association is exempt from the small group rating laws, do we review the rates? The requirements of ORS 743.734 (7) apply to a carrier that pools small employer groups within the association separately from the association as a whole. To determine compliance with the required retention rate when two or more carriers provide health plan coverage to the small employer group members of an association, each carrier may use its own retention rate for each small employer group in the association or may combine the retention rates of the carriers for the small employer groups. The Division does not review rates for associations exempt from the small group rating laws. This exemption, however, sunsets on January 1, 2014.
3. The carrier may treat the small employer groups within the association as subsets for rating purposes in order to apply a different rating methodology from the rest of the association by applying to each small employer group the applicable rating requirements for small employer groups under ORS 743.730 to 743.737. In this case, a carrier may use a factor for rating purposes that is based on an insured's claims experience not exceeding five percent within the applicable rate band. A group health benefit plan issued to a small employer group through an association that is not exempt from the small employer laws under ORS 743.734 (7) remains subject to the underwriting and claims experience requirements of ORS 743.734. Risk status, claims experience or financial condition may not be used as a criterion for premium rating of individual enrollees within a group of any size.

IL***
*** Please see tabs "Assoc Trust IL", "2010 all association bus", and "discretionary grp totals".