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CONTACT:
Susan Nolan
Candace Thorson
NCOIL National Office
732-201-4133

**NCOIL URGES CONGRESS TO OPPOSE AHP LEGISLATION,
CAUTIONS AGAINST HARM TO CONSUMERS**

**Troy, New York, May 5, 2005** In a letter sent recently to each member of Congress, National Conference of Insurance Legislators’ (NCOIL) President Representative Craig Eiland (TX), acting on behalf of all NCOIL legislators, urged lawmakers to oppose pending federal legislation that would exempt association health plans (AHPs) from state laws and oversight.  Such action, Rep. Eiland warned, would threaten consumers’ access to health coverage and would deny them important consumer protections.  The letter was the latest NCOIL effort to oppose federal preemption of state laws regarding certain health insurance arrangements.

According to Rep. Eiland, “The pending legislation [H.R. 525] would undermine many of the hard-fought victories that state legislators have achieved on behalf of small employers and consumers.  While promoted as a way to help improve affordability of coverage for small businesses and their workers, AHPs would have the opposite effect—making health insurance coverage less affordable for most small firms and making it difficult, if not impossible, for firms with high-risk workers to have access to affordable coverage.”

Noting that federal AHP legislation would invite unauthorized and fraudulent insurers to operate outside the umbrella of state regulation, Rep. Eiland said that states already had laws protecting consumers from such abuse.  He added that state legislatures, with NCOIL support, have pursued legislation expanding coverage for the uninsured; requiring important health benefits; establishing quality assurance standards; and providing independent, external reviews of consumer grievances.  Rep. Eiland said that NCOIL and state lawmakers also have endorsed efforts to establish strong solvency standards in order to ensure that health insurers can deliver the benefits they promise.

During the March 7 through 10 NCOIL Spring Meeting in Hilton Head, South Carolina, the NCOIL Health Insurance Committee voted to reaffirm the organization’s opposition to AHPs by sending Congress a letter warning of the critical consequences associated such arrangements.

NCOIL is an organization of state legislators focused on insurance legislation and regulation. Many legislators active in NCOIL either chair or are members of the committees responsible for insurance legislation in their respective state houses across the country.

Attached to this press release are copies of NCOIL’s recent [letter to Congress](http://www.ncoil.org/news/AHPLetter.doc) and of an earlier NCOIL [*Resolution Opposing Preemption of State Laws Regarding Certain Health Insurance Arrangements*](http://www.ncoil.org/news/AHPResolution.doc), first adopted in 1999 and subsequently readopted to affirm the NCOIL position.  Among other things, the resolution asserts that state regulation better protects consumers than federal oversight does and urges Congress to abandon initiatives that would preempt state laws related to health insurance.

For more information, please contact the NCOIL National Office at 732-201-4133.

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