



ANALYSIS OF FORM M-1 DATA 2012–2016

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TABLE OF CONTENTS

| | |
|--|------------|
| EXECUTIVE SUMMARY | I |
| TERMINOLOGY | III |
| 1 INTRODUCTION | 1 |
| 2 BACKGROUND | 1 |
| 2.1 Form M-1 Filers | 1 |
| 2.2 Filing Exemptions | 2 |
| 2.3 Filing Timeline | 2 |
| 2.4 Contents of Form M-1..... | 3 |
| 3 DATA SOURCES | 3 |
| 4 ANALYSIS OF FORM M-1 FILINGS: DESCRIPTIVE RESULTS | 4 |
| 4.1 Overview of the Form M-1 Filing Population..... | 4 |
| 4.2 Form M-1 Filers | 7 |
| 4.3 Form M-1 and Form 5500 Filers..... | 14 |
| 4.4 Answers Related to Compliance with Parts 7 and 4 of ERISA..... | 19 |
| 4.5 Actuarial Opinions and Fiduciary Liability..... | 21 |
| 4.6 Insurance Providers | 21 |
| 5 SUMMARY OF FINDINGS | 27 |
| APPENDIX A 2016 FORM M-1 | A-1 |
| APPENDIX B CHANGES TO FORM M-1 IN 2012 | B-1 |
| APPENDIX C DATA PREPARATION | C-1 |
| APPENDIX D STATE-LEVEL ANALYSIS | D-1 |



LIST OF TABLES

| | |
|--|------|
| Table 1: Comparison of Self-Insurance Algorithm and Self-Identified Funding Status on Form M-1..... | 17 |
| Table 2: Top Insurers for Fully-Insured MEWAs/ECEs by Name and EIN (2012–2016) | 25 |
| Table 3: Top Insurers providing Stop-Loss Coverage to MEWAs/ECEs by Name and EIN (2012–2016) | 25 |
| Table 4: Top Insurers providing Health Coverage to MEWAs/ECEs by Name and EIN (2012–2016) | 26 |
| Table 5: Top Insurers providing Life Insurance Coverage to MEWAs/ECEs by Name and EIN (2012–2016) | 26 |
| Table 6: Data Cleaning Waterfall for Form M-1 Database..... | C-1 |
| Table 7: Data Cleaning Waterfall for Form M-1 and Form 5500 Merge..... | C-2 |
| Table D-1: Number of Plan MEWAs That Operate in Each State by Year..... | D-1 |
| Table D-2: Number of Non-Plan MEWAs That Operate in Each State by Year..... | D-3 |
| Table D-3: Number of ECEs That Filed That Operate in Each State by Year | D-4 |
| Table D-4: Number of Plan MEWAs with 20% or More of Their Business in Each State by Year | D-6 |
| Table D-5: Number of Non-Plan MEWAs with 20% or More of Their Business in Each State by Year | D-7 |
| Table D-6: Number of ECEs by Year That Filed with 20% or More of Their Business in Each State | D-9 |
| Table D-7: Percentage by Year of MEWAs/ECEs Licensed in Each State | D-10 |
| Table D-8: Percentage by Year of MEWAs/ECEs That Identified as Fully-Insured in Each State | D-12 |
| Table D-9: Percentage by Year of MEWAs/ECEs That Identified as Not Fully-Insured in Each State | D-13 |
| Table D-10: Percentage of Self-Insured Filers That Indicated Stop-Loss Coverage Was Purchased in Each State by Year..... | D-15 |

LIST OF FIGURES

| | |
|--|----|
| Figure 1: Unique Filers by Year | 4 |
| Figure 2: Number of Filings by Year | 5 |
| Figure 3: Distribution of Types of Filings by Year..... | 6 |
| Figure 4: Reasons for Filing a Registration Origination or Special Filing..... | 7 |
| Figure 5: Distribution of Number of Filings by Year..... | 7 |
| Figure 6: Filing Entity Type by Year..... | 8 |
| Figure 7: Mean Participants by Entity Type and Year | 9 |
| Figure 8: Total Participants by Year | 9 |
| Figure 9: Number of States a Filer Reports Operating in by Year..... | 10 |



Figure 10: Number of MEWAs by State in 2016 11

Figure 11: Number of ECEs by State in 2016 11

Figure 12: Expansion into New States by Year..... 12

Figure 13: Distribution of Plans by Funding Mechanism and Year 13

Figure 14: Not Fully-Insured Entities That Reported Purchase of Stop-Loss Coverage..... 13

Figure 15: Eligible Form M-1 and Form 5500 Match Percentage by Year 14

Figure 16: Benefits Offered by Form M-1 Filers (2012–2016) 15

Figure 17: Distribution of Plan Assets by Year 16

Figure 18: Total Plan Assets by Year and Plan Type..... 16

Figure 19: Distribution of Form 5500 Entity Types by Year 19

Figure 20: Percent Reported Assets in Accordance with ERISA Section 403 and 29
CFR2550.403A-1 and 2250.403B-1 by Year 20

Figure 21: Percent Reported Receiving Actuarial Opinion by M-1 Classification 21

Figure 22: Top Insurers for Fully-Insured MEWAs/ECEs (2012–2016)..... 22

Figure 23: Top Insurers for Not Fully-Insured MEWAs/ECEs That Purchased Stop-Loss Coverage
(2012–2016) 23



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EXECUTIVE SUMMARY

The U.S. Department of Labor (DOL) Employee Benefits Security Administration (EBSA) administers and enforces the reporting, disclosure, and fiduciary requirements of Title I of the Employee Retirement Income Security Act of 1974 (ERISA). DOL uses Form M-1 to collect information from administrators of Multiple Employer Welfare Arrangements (MEWAs) and certain Entities Claiming Exception (ECEs) that provide benefits consisting of medical care. A MEWA is an employee welfare benefit plan or any other arrangement (other than an employee welfare benefit plan), which is established or maintained for the purpose of offering or providing welfare benefits to the employees of two or more employers (including one or more self-employed individuals), or to their beneficiaries.¹ Plans established or maintained under or pursuant to collective bargaining or those established by rural electric cooperatives or rural telephone cooperative associations are not treated as MEWAs. ECEs are employee welfare benefit plans established or maintained under or pursuant to collective bargaining.

Form 5500 is an annual report that employee benefit plans must file to satisfy reporting requirements under Title I and Title IV of ERISA and under the Internal Revenue Code. DOL's regulations and the Form 5500 instructions require all employee benefit welfare plans that file the Form M-1 to also file the Form 5500, regardless of plan size or funding method.² In this report, we analyze the Form M-1 filing population for 2012 through 2016. The nature of this study is descriptive and based on self-reported information. Our main objectives in this analysis are threefold:

- Examine how key attributes of the Form M-1 filing population have changed over time.
- Compare information reported on Form 5500 with information reported on Form M-1 for this population.
- Identify insurance providers who serve MEWAs and ECEs.

Over the five-year study period, the filing population increased from 426 unique filers in 2012 to 547 unique filers in 2016. Approximately 91% of filers indicate that they are plan MEWAs, compared to 6% non-plan MEWAs and 3% ECEs. The total number of reported participants covered by MEWAs and ECEs has climbed from 1.5 million in 2012 to over two million in 2016.

Approximately 57% of MEWAs and ECEs report operating in a single state, 11% report operating in 2 states, 16% in 3–10 states, and 14% in 11–49 states. The remaining 2% report operating in 50 or more states and territories. California, Texas, Florida, New York, and Washington have the largest number of

¹ As defined by 29 USC § 1002(1), “[t]he terms ‘employee welfare benefit plan’ and ‘welfare plan’ mean any plan, fund, or program which was heretofore or is hereafter established or maintained by an employer or by an employee organization, or by both, to the extent that such plan, fund, or program was established or is maintained for the purpose of providing for its participants or their beneficiaries, through the purchase of insurance or otherwise, (A) medical, surgical, or hospital care or benefits, or benefits in the event of sickness, accident, disability, death or unemployment, or vacation benefits, apprenticeship or other training programs, or day care centers, scholarship funds, or prepaid legal services, or (B) any benefit described in section 186(c) of this title (other than pensions on retirement or death, and insurance to provide such pensions).”

² See Form 5500 instructions here: <https://www.dol.gov/sites/default/files/ebsa/employers-and-advisers/plan-administration-and-compliance/reporting-and-filing/form-5500/2017-instructions.pdf>. See Form M-1 filing instructions here: <https://www.dol.gov/sites/default/files/ebsa/employers-and-advisers/plan-administration-and-compliance/reporting-and-filing/forms/m1-2016.pdf>.



Form M-1 filers. Alaska, Hawaii, South Dakota, Rhode Island, and Vermont have the smallest reported MEWA and ECE presence.

In 2016, 69% of MEWAs and ECEs report they are fully-insured, compared to 27% that report they are not fully-insured and 4% that report they are fully-insured in some states. The percentage of fully-insured entities increased by over 2% between 2012 and 2016.

Form 5500 collects information not included on the Form M-1. We matched Form M-1 filers with Form 5500 filings to examine Form 5500-specific attributes reported by the Form M-1 filing population. As reported on Form 5500, most plan MEWAs that filed both the Form M-1 and the Form 5500 consistently offer vision, dental, and life insurance, along with health benefits. Blue Cross Blue Shield is the most common insurance provider reported on Form 5500 Schedule A by name for health benefits, and Unum is the most common for life insurance benefits.

Overall, benefits offered and insurance providers selected to deliver those benefits to MEWAs and ECEs remained stable over the study period.



TERMINOLOGY

We use the following terms throughout this report:

- **Entity**—In this report, we generally use entity to refer to all filers of Form M-1, including MEWAs and ECEs.
- **Entity Claiming Exception (ECE)**—Entity that claims it is a plan established or maintained under or pursuant to one or more collective bargaining agreements. (See Section 3(40)(A)(i) of ERISA and 29 CFR 2510.3-40 of the Department’s regulations.)
- **Form year**—The year designated on the Form 5500 (e.g., 2016 Form 5500). The form year corresponds to the year that the first day of the plan year is in and is equivalent to the Plan Year Beginning (Plan Year, in this report). This term is capitalized when referring to a specific year, and lower otherwise.
- **MEWA**—Arrangements established or maintained for the purpose of offering or providing to the employees of two or more employers (including one or more self-employed individuals), or to their beneficiaries, any employee welfare benefit listed in ERISA (e.g., medical, surgical, or hospital care or benefits, or benefits in the event of sickness, accident, disability, death or unemployment). A MEWA can be a single employee welfare benefit plan³ that covers the employees of multiple employers (plan MEWA) or an arrangement that is made up of separate plans sponsored by individual employers that use the MEWA to provide benefits under their separate plans (non-plan MEWA). ERISA specifically excludes from the term MEWA any plan or other arrangement that is established or maintained under or pursuant to one or more collective bargaining agreements, by a rural electric cooperative, or by a rural telephone cooperative association. Both plan MEWAs and non-plan MEWAs are subject to federal regulation under ERISA and state regulation under state insurance law.⁴ MEWAs required to file the Form M-1 (i.e., MEWAs offering health benefits) self-report their entity type as either a plan or non-plan MEWA. As such, this report presents statistics on the self-reported status of these entities.
- **Plan year**—The year containing the day the plan year begins. In this report, plan year refers to Plan Year Beginning (PYB), the year that the first day of the plan year is in for which the plan is reporting; this generally will be the same as the form year. This term is capitalized when referring to a specific year, and lower otherwise.
- **Statistical year**—The year containing the day the plan year ends, which is equivalent to the Plan Year End (PYE), the year that the last day of the plan year is in for which the plan is reporting. This term is capitalized when referring to a specific year, and lower otherwise.

³ See footnote 1 above for the definition of “employee welfare benefit plan” under Title I of ERISA.

⁴ See “Multiple Employer Welfare Arrangements under the Employee Retirement Income Security Act (ERISA): A Guide to Federal and State Regulation” available at <http://www.dol.gov/sites/default/files/ebsa/about-ebsa/our-activities/resource-center/publications/mewa-under-erisa-a-guide-to-federal-and-state-regulation.pdf>.



ANALYSIS OF FORM M-1 DATA

1 INTRODUCTION

The U.S. Department of Labor (DOL) Employee Benefits Security Administration (EBSA) administers and enforces the reporting, disclosure, and fiduciary requirements of Title I of the Employee Retirement Income Security Act of 1974 (ERISA). Multiple Employer Welfare Arrangements (MEWAs) and certain Entities Claiming Exception (ECEs) must file the Form M-1 report annually. Form 5500 is an annual report that employee benefit plans must file to satisfy reporting requirements under Title I and Title IV of ERISA and under the Internal Revenue Code. DOL's regulations require all employee benefit welfare plans that file the Form M-1 to also file the Form 5500, regardless of size or funding method.⁵

DOL contracted Summit Consulting (Summit) to conduct a descriptive analysis of attributes reported on both the Form M-1 and Form 5500 by the Form M-1 filing population.

In this report, we analyze the Form M-1 filing population from 2012 through 2016. This population consists of filings from administrators of MEWAs and certain ECEs. We implemented a descriptive analysis to (1) examine how attributes reported on the Form M-1 filing have changed over the study period, (2) compare information reported by this population on Form M-1 and Form 5500, and (3) identify the insurance providers who serve MEWAs and ECEs.

In Section 2, we provide background information on Form M-1 and filing guidelines. In Section 3, we describe the data sources used. In Section 4, we share descriptive statistics of the filing population. In Section 5 we summarize our findings.

2 BACKGROUND

2.1 FORM M-1 FILERS

DOL defines a MEWA as an employee welfare benefit plan or other arrangement established or maintained for the purpose of offering welfare benefits to the employees of two or more employers (including one or more self-employed individuals) or to their beneficiaries.^{6,7} The Health Insurance

⁵ See Form 5500 instructions here: <https://www.dol.gov/sites/default/files/ebsa/employers-and-advisers/plan-administration-and-compliance/reporting-and-filing/form-5500/2017-instructions.pdf>. See Form M-1 filing instructions here: <https://www.dol.gov/sites/default/files/ebsa/employers-and-advisers/plan-administration-and-compliance/reporting-and-filing/forms/m1-2016.pdf>

⁶ See Form M-1 filing instructions here: <https://www.dol.gov/sites/default/files/ebsa/employers-and-advisers/plan-administration-and-compliance/reporting-and-filing/forms/m1-2016.pdf>

⁷ Welfare benefits include (A) medical, surgical, or hospital care benefits; or benefits in the event of sickness, accident, disability, death or unemployment; or vacation benefits, apprenticeship or other training programs; or day care centers,



Portability and Accountability Act of 1996 (HIPAA) led to the creation of Form M-1 for reporting compliance with ERISA Part 7 provisions. Administrators for plan MEWAs, non-plan MEWAs, and ECEs are responsible for submitting Form M-1.

2.2 FILING EXEMPTIONS

Certain categories of MEWAs and ECEs are exempt from filing Form M-1:

- Entity licensed or authorized to operate as a health insurance issuer in every state in which it offers or provides coverage for medical care to employees.
- Plan or other arrangement exempt from coverage under Title I of ERISA such as governmental or church plans, regardless of whether they provide group health benefits.
- Plans or other arrangements providing only benefits not subject to ERISA Part 7.⁸

A MEWA or ECE may also be exempt from filing Form M-1 if one or more of the following conditions are true:

- The MEWA or ECE provides coverage to employees of two or more organizations that share a common control interest of 25% or more applying principles similar to the principles applied under Section 414(c) of the Internal Revenue Code.
- The MEWA or ECE provides coverage to employees of two or more organizations due to a temporary change in control of the organizations, such as a merger or acquisition.
- The MEWA or ECE provides coverage to individuals who are not employees or employee spouses or dependents of the sponsor.⁹

2.3 FILING TIMELINE

The Form M-1 annual filing is due on March 1 of the calendar year following the year for which a filing is required. A MEWA is required to file a “registration” Form M-1 30 days prior to operating in a state. A Form M-1 registration filing is required when (1) an existing MEWA begins operating in an additional state, (2) an existing MEWA begins operating following a merger with another MEWA, (3) the number of employees covered by the medical care portion of the MEWA is at least 50% greater than the number of employees on the last day of the previous calendar year, or (4) the MEWA experiences a “material change” as the Form M-1 instructions describe. These filings are due within 30 days of the event occurring. Filers may request an extension for up to 60 days after the original filing deadline. A MEWA may be required to file a registration more than once in a calendar year.

For all MEWAs and ECEs required to submit Form M-1, DOL may levy financial penalties for filers that do not submit a Form M-1, do not complete Form M-1, and/or do not file in a timely manner.

scholarship funds, or prepaid legal services, or (B) any benefit described in section 302(c) of the Labor Management Relations Act, 1947 (other than pensions on retirement or death, and insurance to provide such pensions).

⁸ Benefits not subject to ERISA Part 7 include coverage only for accidents (including accidental death and dismemberment), disability income insurance, liability insurance (including general liability insurance and automobile liability insurance), coverage issued as a supplement to liability insurance, workers’ compensation or similar insurance, automobile medical payment insurance, credit-only insurance (for example, mortgage insurance), and coverage for onsite medical clinics.

⁹ Additionally, this number of individuals must be less than one percent of the MEWA or ECE’s total number of participants on the last day of the year of reporting or 60 days after a MEWA registration or ECE origination.



2.4 CONTENTS OF FORM M-1

Form M-1 has three sections (see Appendix A):

1. The **Purpose of Filing** section allows the MEWA or ECE administrator to select the filing type (annual, origination, special, registration, amended, request for extension, or final), filing entity (plan MEWA, non-plan MEWA, or ECE), and the most recent Form M-1 filing date.
2. The **Custodial and Financial Information** section contains information about individuals or entities responsible for sponsoring or managing the MEWA or ECE operations and for providing services such as administration of benefits, actuarial, and asset management to the MEWA or ECE. Filers must report information about litigation, investigations, or other enforcement proceedings or actions related to the MEWA, the ECE, or certain persons or entities associated with them. Also in this section, the administrator provides the total number of participants the entity covers and indicates the states in which it operates, whether it is insured, and details about any state registration.
3. The **Information for Compliance with Part 7 of ERISA** section asks the filer to report involvement in any litigation or enforcement proceedings related to Part 7 of ERISA. The form guides filers through a series of questions about each of the Part 7 provisions regarding their applicability to the MEWA or ECE and the entity's compliance with the requirements.

Form M-1 changed substantially in 2012, the first year of this study period. Since then, DOL has not made substantial changes to the form. Appendix A includes a complete copy of the 2016 Form M-1. Appendix B summarizes the 2012 revisions.

3 DATA SOURCES

Our analysis uses data reported on Form M-1 and Form 5500 for 2012 through 2016:

- **Form M-1** reports any MEWA- and ECE-related information. EBSA maintains an electronic database with all Form M-1 filing data.
- **Form 5500** reports information for employee benefit plans not exempt from filing and Direct Filing Entities (DFEs). EBSA maintains the Form 5500 database, a collection of all Form 5500 filings submitted electronically to the ERISA Filing Acceptance System (EFAST2) by benefit plan administrators. Researchers and other end users can use a database created from the information populated by Form 5500 and Form 5500-SF filers, including the information filed on required schedules.

Data used to produce this report includes Form M-1 filings submitted as of February 28, 2018. We present these results using statistical year. Appendix C provides additional details on data preparation steps applied to create the analysis dataset.



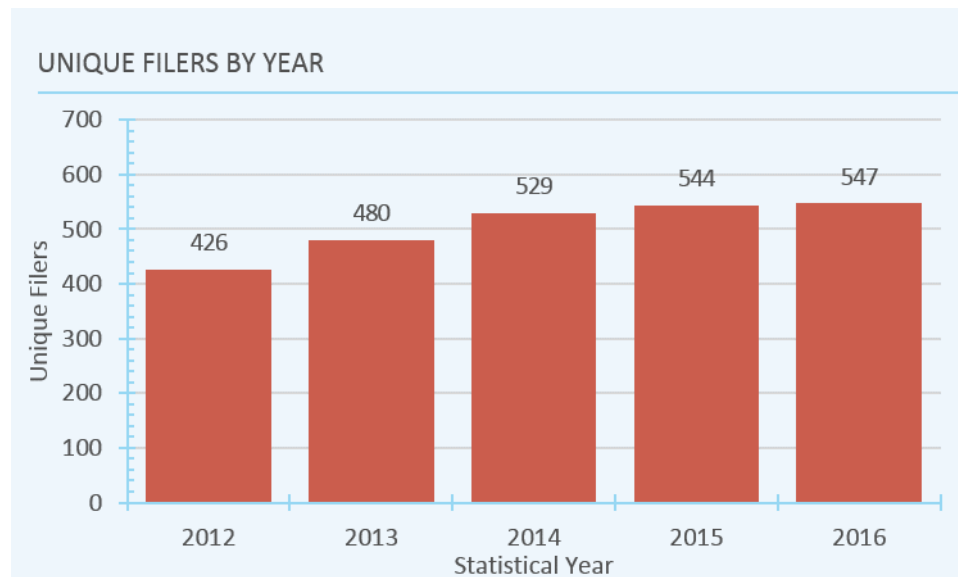
4 ANALYSIS OF FORM M-1 FILINGS: DESCRIPTIVE RESULTS

This section includes descriptive results of the Form M-1 filing population between 2012 and 2016. First, we describe the Form M-1 filing population over time. Next, we present characteristics of filers reported on Form M-1, including entity type, number of participants, geography, and funding mechanism. We then examine the entities filing both Form M-1 and Form 5500, followed by self-reported compliance with Part 7 of ERISA, actuarial opinions, and fiduciary liability among filers.¹⁰ Section 4 concludes with an analysis of insurance carriers used, as reported through both Form M-1 and Form 5500.

4.1 OVERVIEW OF THE FORM M-1 FILING POPULATION

Figure 1 presents the number of unique Form M-1 filers in each statistical year. As MEWAs or ECEs may submit multiple Form M-1s in a year, we define a unique filer using a combination of Employer Identification Number (EIN), Plan Number (PN), and statistical year.¹¹ The population shows an increase from 426 filers in 2012 to 547 in 2016. This increase in filers corresponds with a decrease in the number of filings submitted with missing or invalid EINs over the same period.

Figure 1



Source: Form M-1 filings for statistical years 2012–2016 received as of February 28, 2018
N = 2,526 filers

¹⁰ As stated above, all employee benefit welfare plans required to file the Form M-1 must also file the Form 5500, regardless of size or funding method; however Form 5500 filings are identified for only a subset of the Form M-1 filing population due to data quality issues in the reported EIN and PN from each form, as well as Form M-1 filers expected to submit Form 5500 that did not.

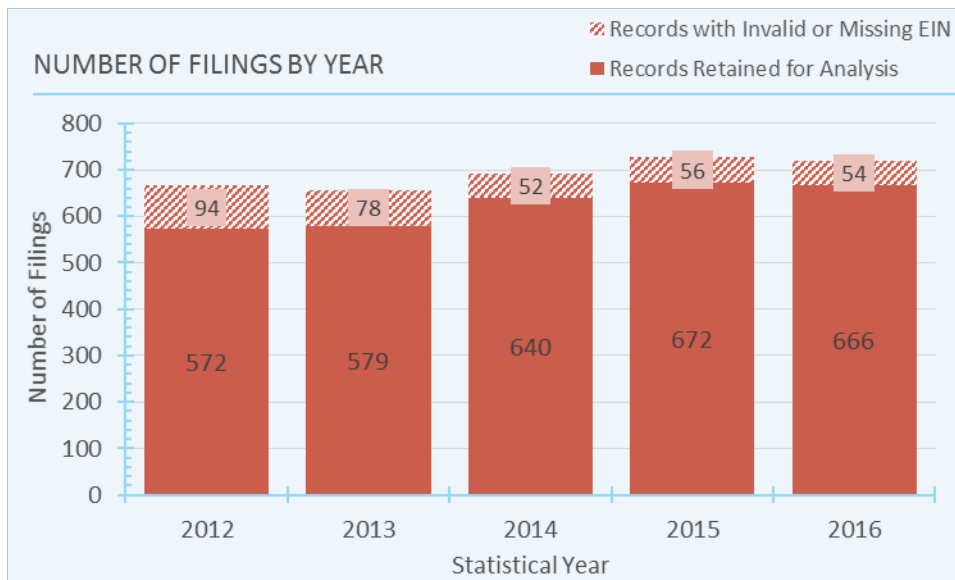
¹¹ We excluded 334 filings that have a missing or invalid EIN in the analysis population (by year, these exclusions are: 94 (2012), 78 (2013), 52 (2014), 56 (2015), 54 (2016)), see Figure 2. If a filer does not have a plan number, we uniquely define using EIN and statistical year. Even if an entity self-identifies as a plan having a PN, it may be a non-plan MEWA. The statistical year is based on the year containing the day the plan year ends.



4.1.1 Number of Form M-1 Filings

There are 3,129 Form M-1 filings for statistical years 2012–2016, after dropping records with a missing or invalid EIN. Figure 2 displays the total number of filings for each statistical year. The red bars represent the filings retained for analysis; the red hashed bars represent filings with missing or invalid EINs, which were removed from the analysis population. The number of filings with missing or invalid EINs decreased from 94 in 2012 to 52–56 filings between 2014 and 2016. The filing population in each year contains the total number of filings, in contrast to Figure 1, which shows the unique number of filers. A MEWA or ECE may submit more than one Form M-1 filing in a year to correct a previous filing or to report a specific event, leading to this distinction. The filing population retained for analysis increases in 2014 (640 filings) and 2015 (672 filings), and drops to 666 filings in 2016.

Figure 2



Source: Form M-1 filings for statistical years 2012–2016 received as of February 28, 2018
N = 3,129 filings retained for analysis and 334 filings with invalid or missing EINs. Additional details describing the data cleaning and matching process can be found in Appendix C.

4.1.2 Types of Filings

A MEWA or ECE may file multiple Form M-1s, in the same year, using the same form. Typically, a filer will submit an annual report filing, based on a calendar or fiscal year. Below is a list of the seven filing types and their definitions:

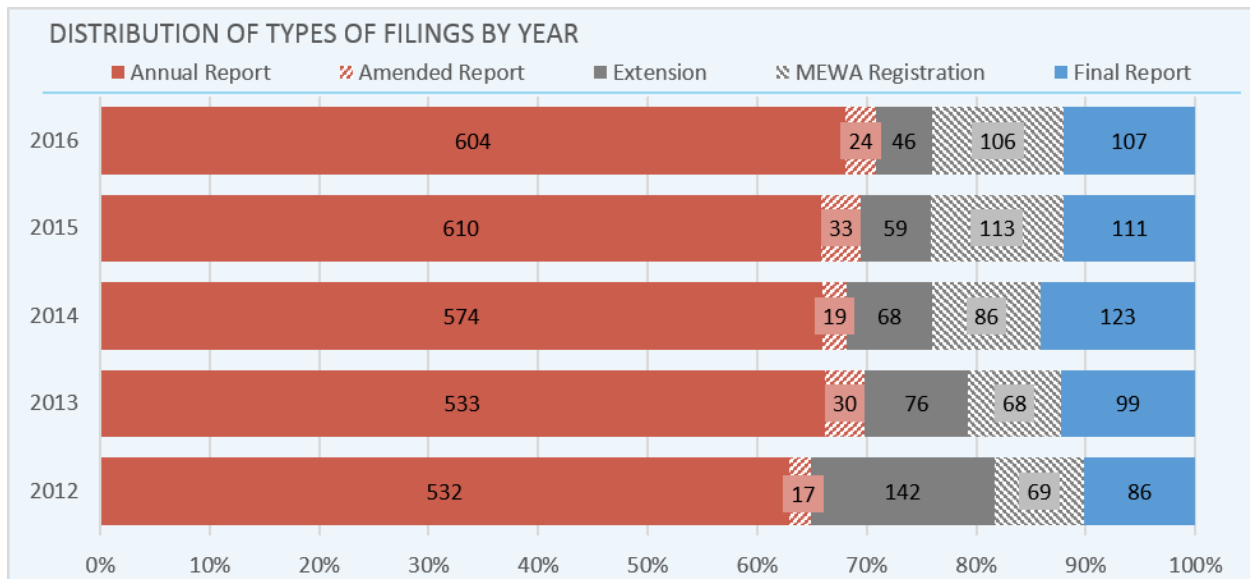
- **Annual**—An annual report is the annual filing MEWAs make by March 1. For ECEs, the annual filing is required for the first 3 years after an origination.
- **Amended**—MEWAs and ECEs submit an amended filing to correct information from a previous filing or supply additional information.
- **Extension**—DOL gives a one-time extension and provides the filer 60 days beyond the deadline to complete and submit Form M-1. This extension form must include responses to the Purpose of Filing, as well as information about the administrator and sponsor in the Custodial and Financial Information section.
- **ECE Origination**—A filing submitted 30 days before the ECE begins operating or within 30 days after an ECE merges with another ECE or increases its participant numbers by 50% or more since the end of the previous calendar year.



- **ECE Special Filing**—A filing submitted within 30 days of a special event, which includes knowingly operating in any additional state or experiencing a material change.
- **MEWA Registration**—A filing submitted 30 days before a MEWA begins operating or within 30 days after a MEWA merges with another MEWA, expands coverage into a new state, experiences an increase in the number of participants by 50% or more since the end of the previous calendar year, or undergoes a material change.
- **Final Report**—A final report filing indicates that the MEWA or ECE does not intend to file a Form M-1 in the following year, implying the entity terminated.

Figure 3 displays the distribution of filing types by year. Since a filer may select more than one filing type per Form M-1 submission, the sum of filing types is greater than the total number of filings in each year. As expected, the majority of filings across all years are annual reports. Coinciding with the 2012 Form M-1 revisions, extension filings accounted for 17% of overall filings that year. Extension filings also decreased to 9%, 8%, 6%, and 5% in 2013 through 2016 respectively.

Figure 3



Source: Form M-1, Part I, Questions A and B

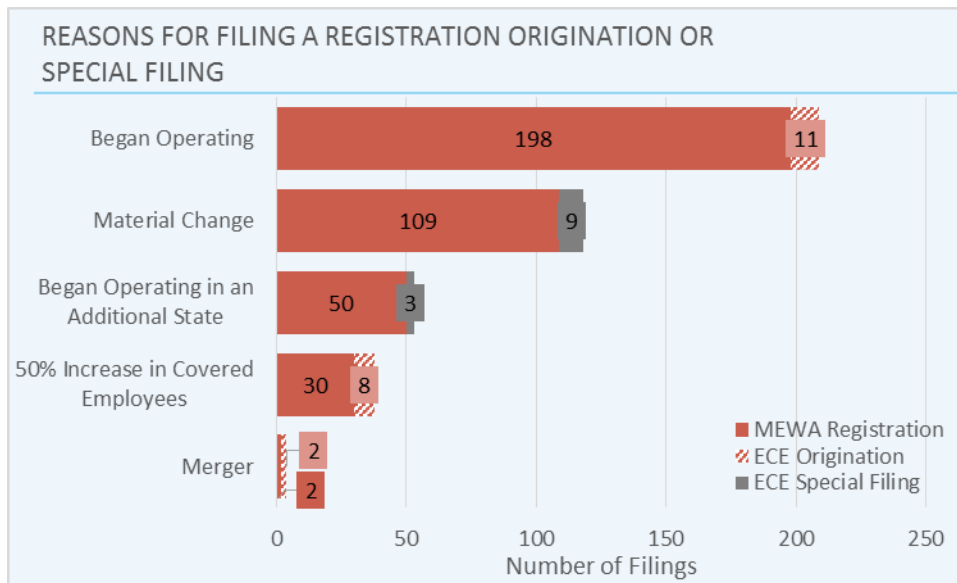
N = 3,111 filings

Note: This graph excludes ECE Originations and ECE Special Filings which together total less than 15 filings per year.

Entities that indicate a filing is a MEWA Registration, ECE Origination, or ECE Special Filing are prompted to provide a reason for this filing type. Figure 4 shows the distribution of reasons for these filings across the study period. Filers are not required to provide a reason and may provide more than one. Of the 475 filings with one of these three types, 401 filings provided at least one reason, resulting in 422 reasons reported on filings between 2012 and 2016. The most common reasons, together accounting for over 75% of responses are “Began Operating” and “Material Change.”



Figure 4

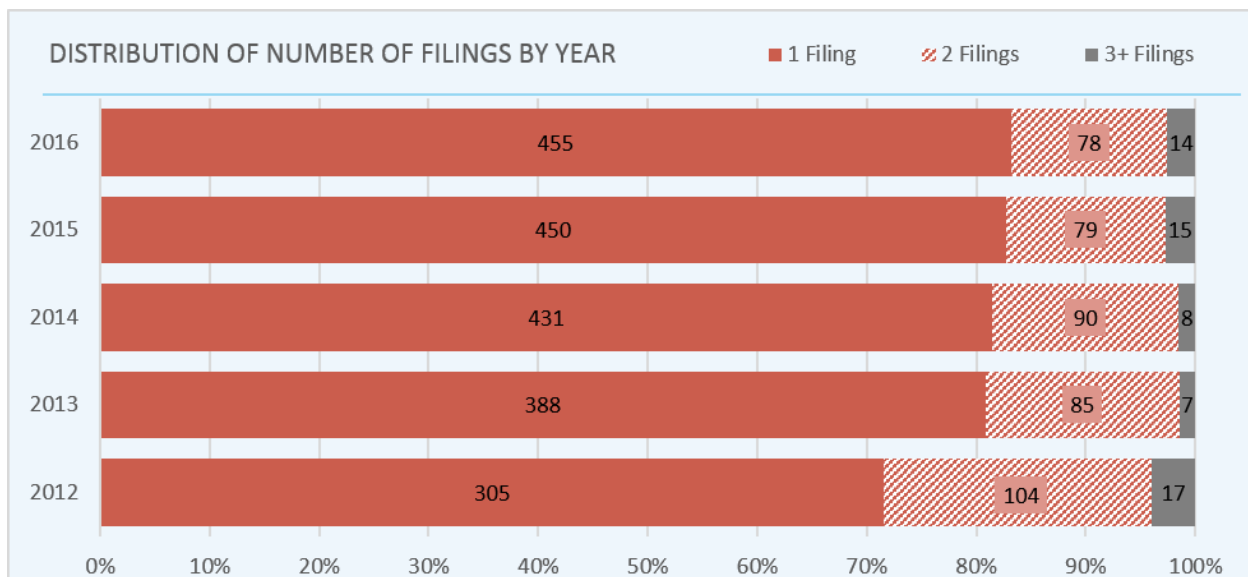


Source: Form M-1, Part I, Questions A and B
N = 422 reasons, 401 filings

4.2 FORM M-1 FILERS

The results in this section concern characteristics of the population of MEWA and ECE filers. Figure 5 illustrates that most filers submit one filing per year, which is typically the annual report. The proportion of filers that filed two or more times was highest in 2012 at 28%, coinciding with an increase in extension filings. The percentage of filers that filed two or more times has declined every year since 2012 to 17% in 2016.

Figure 5



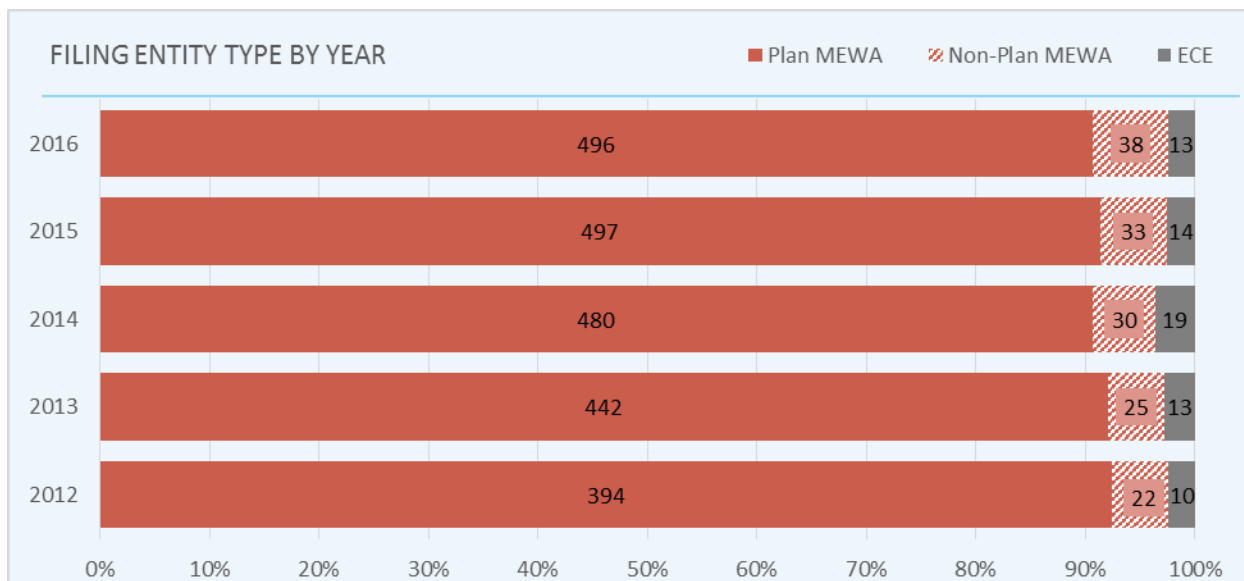
Source: Form M-1 filings for statistical years 2012–2016 received as of February 28, 2018
N = 3,129 filings submitted by 2,526 filers



4.2.1 Filing Entity Type

In Part I of Form M-1, “Purpose of Filing,” filers must report entity type as a plan MEWA, non-plan MEWA, or ECE. Figure 6 displays the reported distribution of filing entities by year. In 2016 (and for most years in the period of analysis), approximately 91% of filers report they are plan MEWAs, followed by non-plan MEWAs and ECEs.¹²

Figure 6



Source: Form M-1, Part I, Question C
N = 2,526 filers

4.2.2 Participants

Each filer reports the total number of participants covered by a MEWA or ECE.¹³ Figure 7 shows a breakout of the mean and median number of plan participants by entity type (plan MEWA, non-plan MEWA, ECE) and statistical year. The mean and median number of reported participants in ECEs have fluctuated between 2012 and 2016. Because ECEs only have to file a Form M-1 for three years after an origination event,¹⁴ it is possible the ECEs that filed in 2016 are not the same ECEs that filed in 2012.

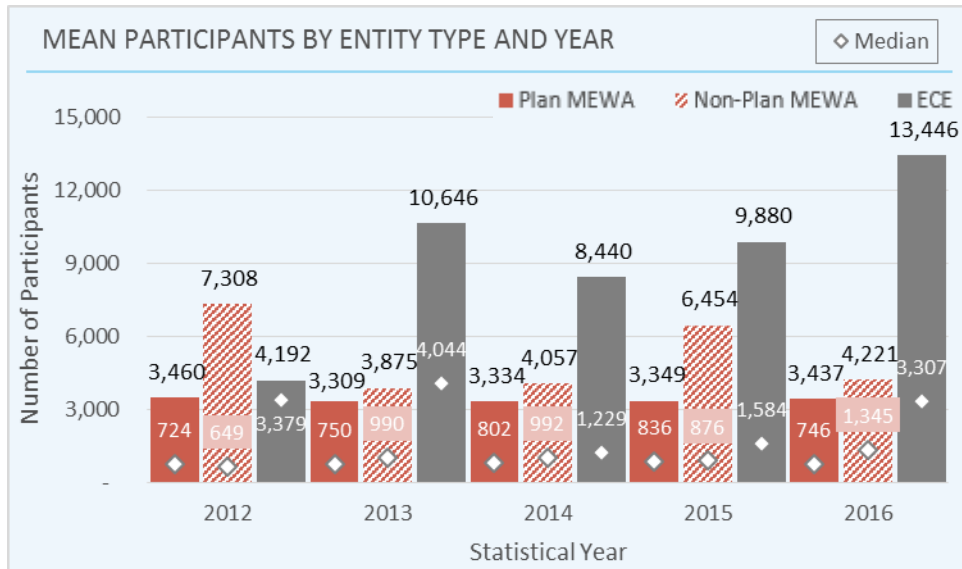
¹² In the final rule, “Definition of “Employer” Under Section 3(5) of ERISA-Association Health Plans,” EBSA identified 536 unique entities operating in 2016. This number is based on filings submitted as of December 18, 2017. Data for this report includes filings submitted as of February 28, 2018 from 547 unique entities. For more information, see: <https://www.federalregister.gov/documents/2018/06/21/2018-12992/definition-of-employer-under-section-35-of-erisa-association-health-plans>

¹³ According to Form M-1 instructions, participants include “former employees who are receiving group health continuation coverage benefits pursuant to Part 6 of ERISA and who are covered by the MEWA or ECE.” Dependents receiving coverage are not counted as participants.

¹⁴ According to Form M-1 instructions, “In addition to the annual reports, ECEs now must file 30 days prior to operating in any State or within 30 days of knowingly expanding operations in an additional State, experiencing a merger, a participant increase of 50 percent or more, or a material change. ECEs must only file when such events occur for the first three years after an “origination,” which is limited to when the ECE first begins operating in a State, experiences a merger or has a participant increase of 50 percent or more. ECEs that move into an additional State or experience a material change will not be required to file outside of the three year window.”



Figure 7

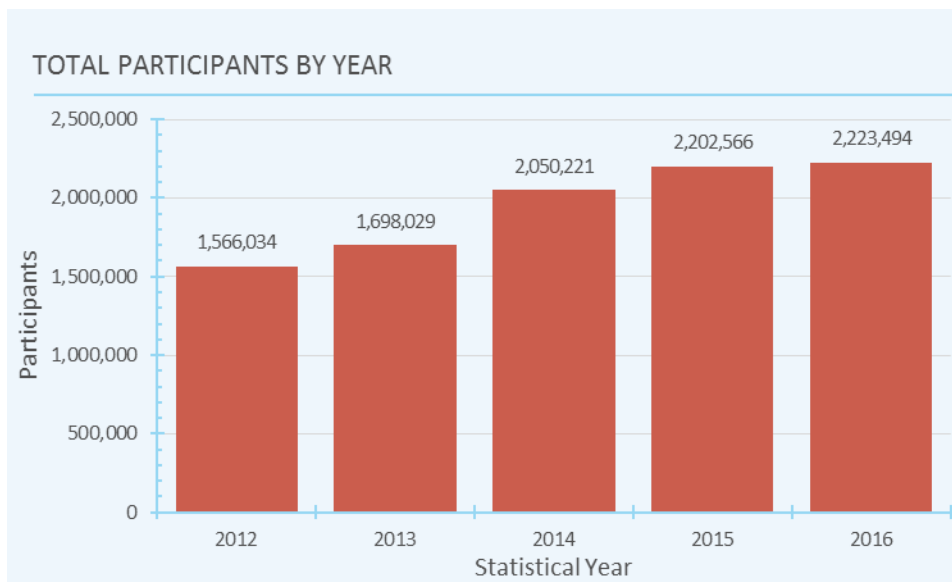


Source: Form M-1, Part II, Question 19

N = 2,523 filers, excludes one ECE in 2014–2016 with over 150,000 participants. Includes 66 ECEs, 148 non-plan MEWAs, and 2,309 plan MEWAs.

Figure 8 shows the total number of reported participants covered by MEWAs and ECEs annually, which has climbed from 1.5 million in 2012 to over two million in 2016.

Figure 8



Source: Form M-1, Part II, Question 19

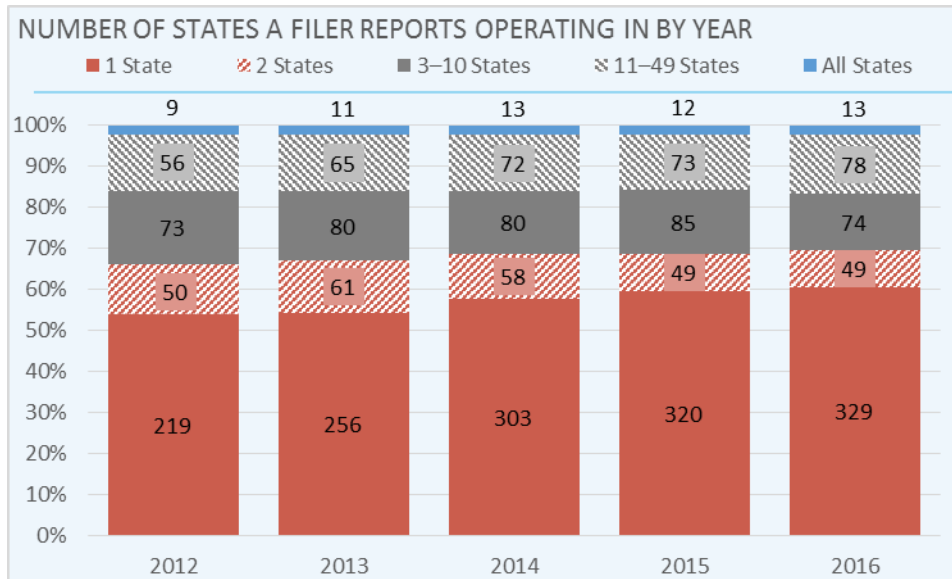
N = 2,526 filers



4.2.3 State Presence and Expansion

Filers must report all states in which the MEWA or ECE operates. Part II, Question 17 asks filers to identify the states in which they operate and provide information on funding mechanisms and stop-loss coverage.¹⁵ Figure 9 shows the number of states and territories filers report operating in by year. Across years, approximately 57% of MEWAs and ECEs report operating in a single state, while 11% report operating in 2 states, 16% in 3–10 states, and 14% in 11–49 states. The remaining 2% report operating in 50 or more states and territories.

Figure 9



Source: Form M-1, Part II, Question 17

N = 2,488 filers, excluding Form M-1 filers that do not provide state information

Note: Count of states includes all states and territories where an entity reports operating. These include American Samoa, District of Columbia, Guam, Northern Mariana Islands, Puerto Rico, Virgin Islands, and Wake Island. As a result, an entity can operate in up to 57 locations.

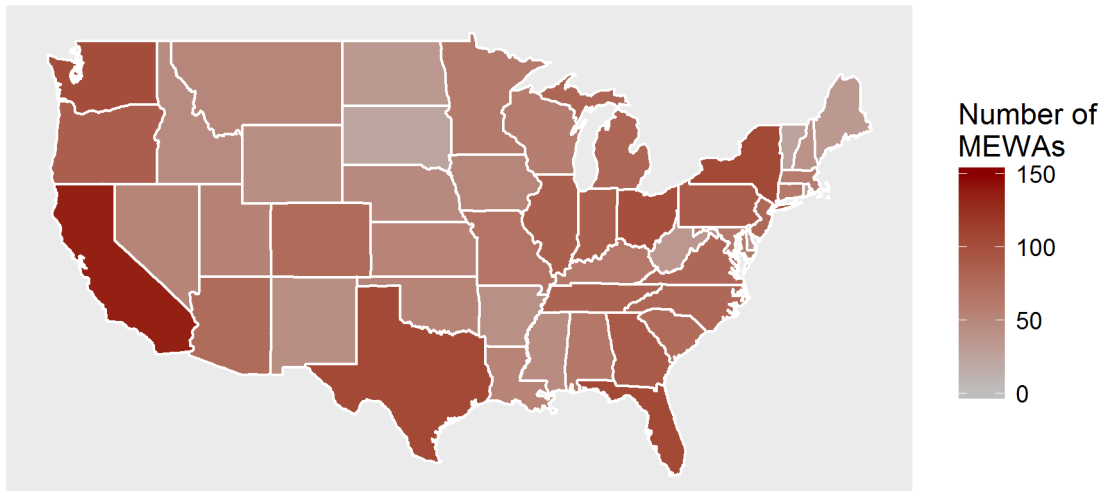
Figure 10 shows the distribution of MEWAs by state in 2016. Darker colors indicate a higher number of MEWAs. Appendix D includes additional details on the number of MEWAs and ECEs operating in each state by year, the number with 20% or more of their business in each state by year, the percentage licensed in each state by year, the percentage that identified as fully-insured in each state by year, the percentage that identified as self-insured in each state by year, and the percentage that identified stop-loss coverage was purchased in each state by year. Highlights include:

- California, Texas, Florida, New York, and Washington contain the largest number of MEWA filers.
- Alaska, Hawaii, South Dakota, Rhode Island, and Vermont, have the smallest MEWA presence.
- The U.S. territories included in the list (American Samoa, Guam, Northern Mariana Islands, Puerto Rico, Virgin Islands, and Wake Island) have 10 or fewer MEWAs operating in each territory.

¹⁵ Prior to 2012, this was Question 5.



Figure 10: Number of MEWAs by State in 2016



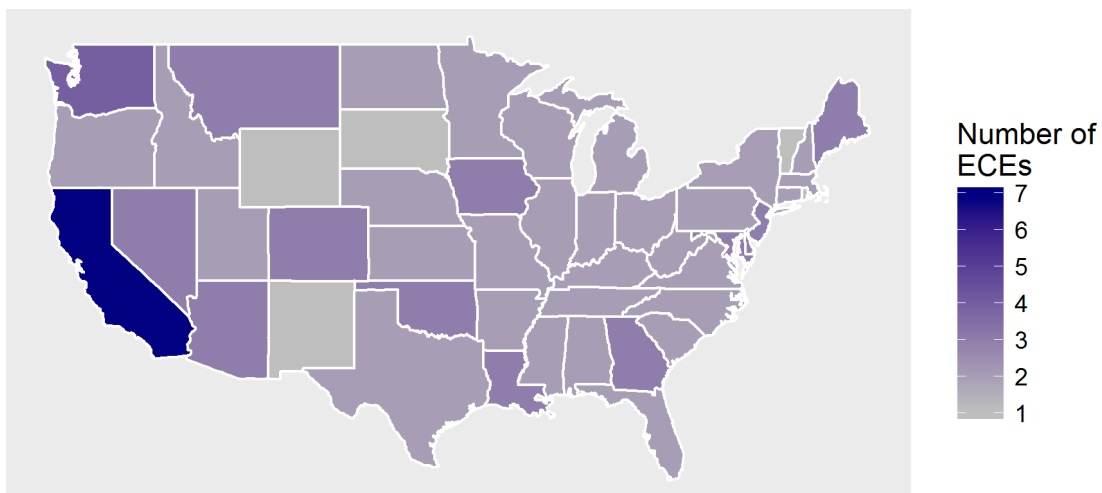
Source: Form M-1, Part II, Question 17

N = 520 filers that were present in 2016; excludes filers that did not provide state-level information

Note: This graph does not show 2016 MEWA presence in the following: Alaska (29), Hawaii (25), Puerto Rico (9), Guam (2), and Northern Mariana Islands (2).

Figure 11 shows the distribution of ECEs by state in 2016. The states with the largest number of ECEs are California (7) and Washington (4) in 2016, as indicated by the darker shade of blue.

Figure 11: Number of ECEs by State in 2016



Source: Form M-1, Part II, Question 17

N = 12 filers present in 2016; excludes filers that did not provide state-level information

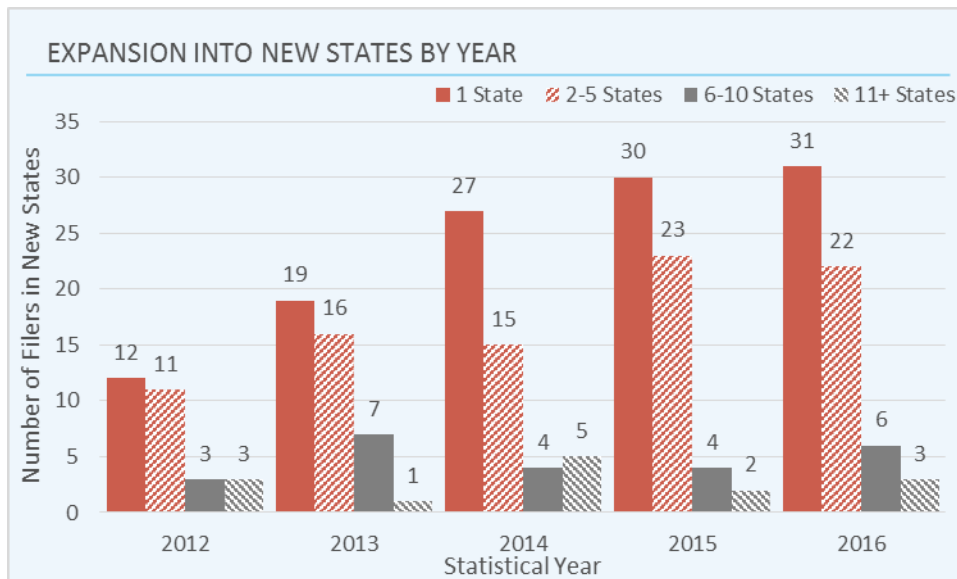
Note: This graph does not show 2016 ECE presence in the following: Alaska (3), Hawaii (2), and Puerto Rico (1).

Form M-1, Part II, Line 18 asks the filer to identify the states in which the filer conducted 20% or more of its business based on the number of participants. Depending on the population distribution of participants among the states where the MEWA or ECE is operating, filers could reach this threshold in more than one state. The states with the highest number of Form M-1 filers conducting at least 20% of their business in the state are California, Texas, New York, Washington, and Oregon. These numbers generally correspond to the most populated states, with the exception of Washington and Oregon. As noted above, Appendix D includes additional state-level detail.



Along with providing information on the states in which MEWAs or ECEs operate, filers report the new states into which they expand. Figure 12 shows, by statistical year, the number of states into which a MEWA or ECE reported expansion. While the number of MEWAs and ECEs that expand every year is rather small, that number has grown since 2012. Approximately 18% of MEWAs and ECEs reported expansion to at least one additional state from that identified in the original filing in the five-year period. After 2012, the first year Form M-1 included this question, the percentage of filers that reported expansion into new states has increased every year, starting at around 7% in 2012 and increasing to around 11% in 2016. MEWAs, with their large numbers relative to ECEs, comprised most of this growth. In 2016, 62 MEWAs and ECEs expanded, which was the highest number in the five-year period. Most of the expanding MEWAs and ECEs expand into one additional state per year, as the solid red bar indicates.

Figure 12



Source: Form M-1, Part II, Question 17
 N = 244 filers

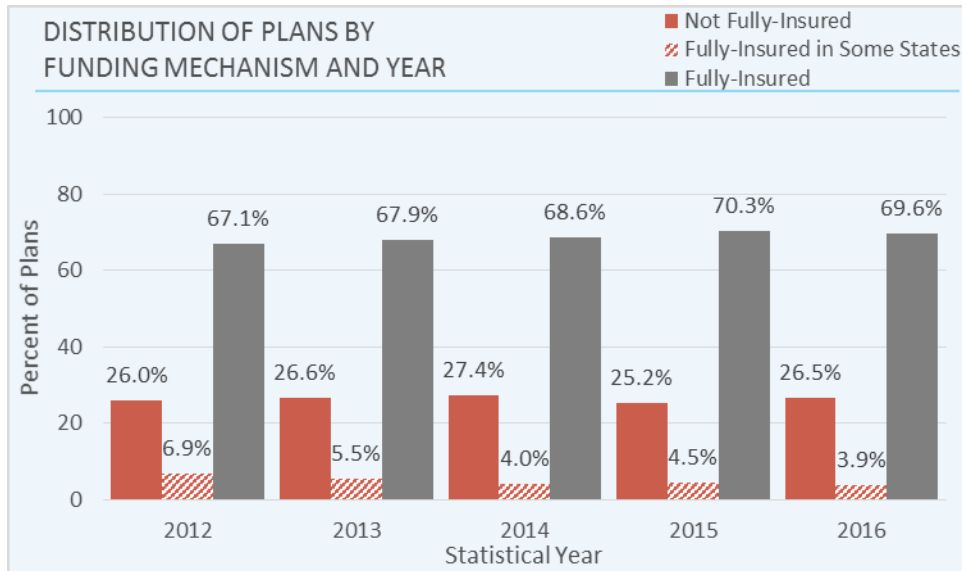
4.2.4 Funding Mechanism

In addition to reporting all states where an entity operates, the filer must indicate whether it is fully-insured in the state and if it purchased stop-loss coverage. The Form M-1 limits respondents to indicating if they are fully-insured or not, even if they are mixed-funded within the state. Thus, we have categorized the filer as “not fully-insured” in that state, since the Form M-1 only asks whether the entity is fully-insured and thus, such an entity could be mixed-funded within the state. A MEWA or ECE that operates in multiple states may use different funding types in each state, thus a MEWA could be fully-insured in one state and not fully-insured in another state. In this scenario, we categorize the entity as fully-insured in some states. Additionally, if a filer reported funding status for some, but not all states, we categorize the entity as fully-insured in some states.

Figure 13 displays the distribution of MEWAs and ECEs that were fully-insured, not fully-insured, or fully-insured in some states across the states where they operate. Fully-insured entities increased by 2.5% between 2012 and 2016.



Figure 13

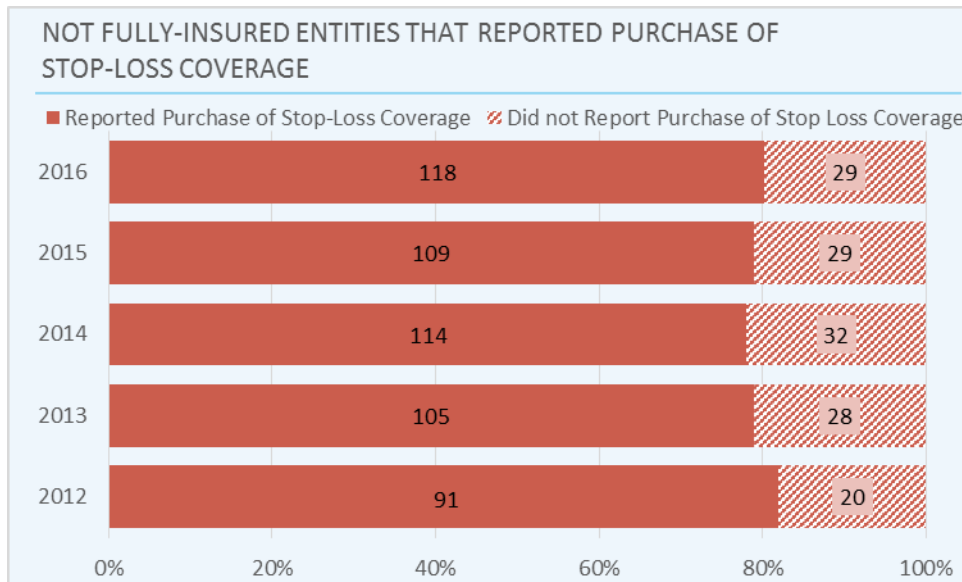


Source: Form M-1, Part II, Question 17

N = 2,488 filers, excluding Form M-1 filers that did not provide state information

In this same section of the form, filers must indicate whether they purchased stop-loss coverage.¹⁶ Approximately 80% of filers that indicated that they were not fully-insured indicated they had purchased stop-loss coverage, as shown in Figure 14.

Figure 14



Source: Form M-1, Part II, Question 17

N = 675 filers, excluding Form M-1 filers that are fully-insured, fully-insured in some states, or did not provide funding information

¹⁶ The Form M-1 instructions provide that stop-loss coverage includes any coverage defined by the State as stop-loss coverage. Stop-loss coverage also includes any financial reimbursement instrument related to liability for the payment of health claims by the MEWA or ECE, including reinsurance and excess loss insurance.



We summarize additional state-level results in Appendix D.

4.3 FORM M-1 AND FORM 5500 FILERS

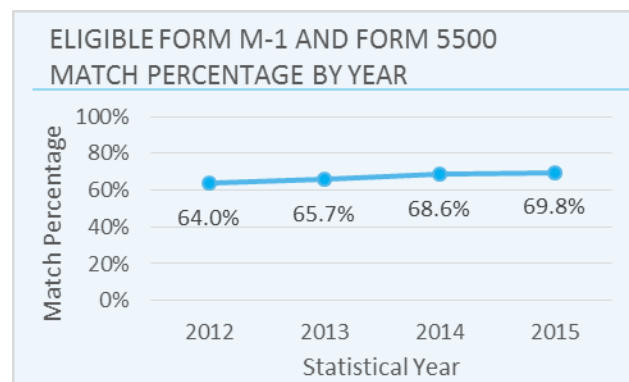
Form 5500 is an annual report that employee benefit plans must file to satisfy reporting requirements under Title I and Title IV of ERISA and under the Internal Revenue Code. DOL regulations require all employee benefit welfare plans required to file the Form M-1 to also file the Form 5500, regardless of size or funding method. The Form 5500 and Form M-1 collect distinctly different information. We linked filers across the two forms to show additional information about Form M-1 filers. For filers who submitted both Form M-1 and Form 5500, we used EIN and PN within the statistical year to match Form M-1 filings to Form 5500 filings.¹⁷ Additional details describing the data cleaning and matching process can be found in Appendix C.

Since 2013, Form 5500 instructions require plan MEWAs that file the Form M-1 to also file the Form 5500 regardless of size or funding method. Even so, the match rate does not reach 100%, stemming from data quality issues in each form’s reported EIN and PN, as well as Form M-1 filers expected to submit Form 5500 that did not.¹⁸ As Figure 15 shows, the percentage of Form M-1 filings that matched to Form 5500 filings increased from 64% in 2012 to nearly 70% in 2015. Consequently, the analysis presented in this section represents 1,506 Form M-1 filers that matched to a Form 5500 filing, or about 60% of the analysis population of Form M-1 filers in 2012–2016. Data preparation steps to arrive at this population are provided in Appendix C.

4.3.1 Welfare Benefits

While MEWAs and ECEs can offer an array of welfare benefits, the Form M-1 is only required for MEWAs and ECEs providing medical care benefits within the meaning of Section 733(a)(2) and 29 CFR 2590.701–2 in Part 7 of ERISA. The same plan MEWA’s Form 5500 filing can list up to 15 benefit types, including “health,” to report the types of benefits offered.¹⁹

Figure 15



Source: This figure is based on data from plan MEWAs and ECEs that completed both Form M-1 and Form 5500. N=1,750 eligible Form M-1 filers in 2012-2015, excludes non-plan MEWAs and those without plan numbers as they could not be matched. Note that including 2016, there are 2,232 eligible Form M-1 filers, 1,506 of which matched to a Form 5500 filing. Additional details describing the data cleaning and matching process can be found in Appendix C.

¹⁷ Summit matched Form M-1 filings to the Form 5500 and the Form 5500-SF. Form M-1 filers are required to file the Form 5500 and are not permitted to file the Form 5500-SF, but we included the four entities that erroneously filed the Form 5500-SF rather than the Form 5500 in our match rate. Due to different filing deadlines for Form M-1 and Form 5500, 2016 Form 5500 filings are still being submitted, thus the match rate was not reported for 2016.

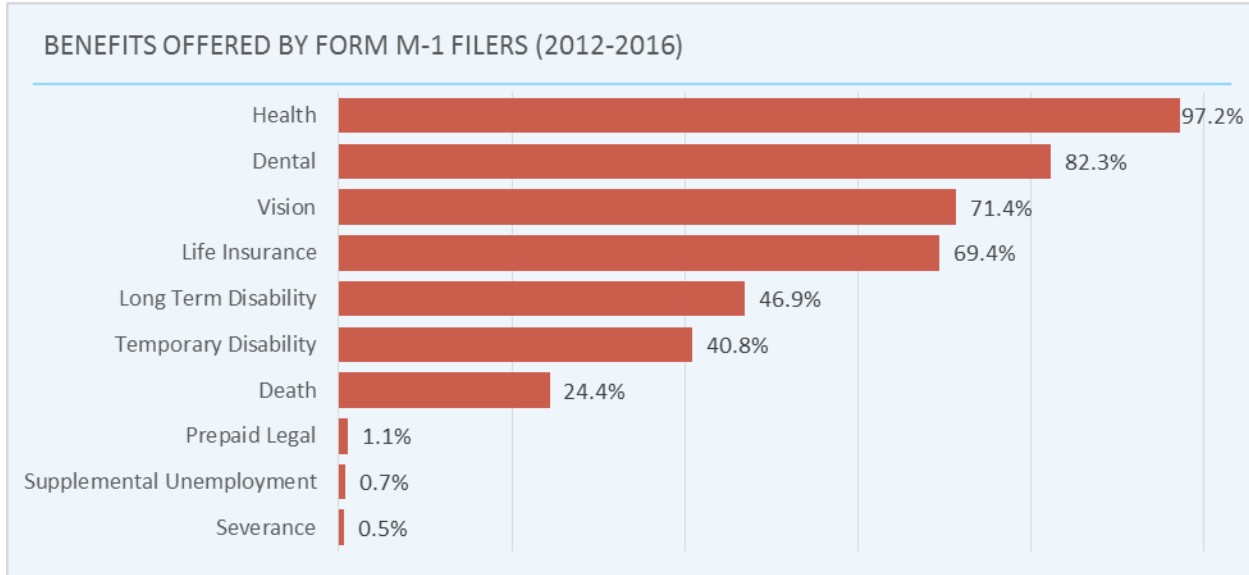
¹⁸ Group Insurance Arrangements (GIAs) are non-plan MEWAs that file the Form 5500. As non-plan MEWAs, this matching methodology excludes these filers from the match rate.

¹⁹ These welfare benefit types are defined in the Form 5500 Instructions “List of Plan Characteristics Codes” and are health, dental, vision, life insurance, temporary disability, long-term disability, supplemental unemployment, prepaid legal, severance pay, apprenticeship and training, scholarship (funded), death benefits, Taft-Hartley Financial Assistance for Employee Housing Expenses, or other. The other “Plan Characteristics Codes” for welfare plans are not describing the types of benefits offered.



Figure 16 displays the variety of benefits offered, as reported on Form 5500 over the study period. Over 60% of plans offer dental, vision, and life insurance, along with health benefits. This trend is consistent over time. For plans that do not offer health insurance, most offer life insurance or dental benefits.

Figure 16



Source: Form 5500 Question 8b

N = 1,506 filers, excludes non-plan MEWAs, other filers without a PN, and plans that did not match to Form 5500

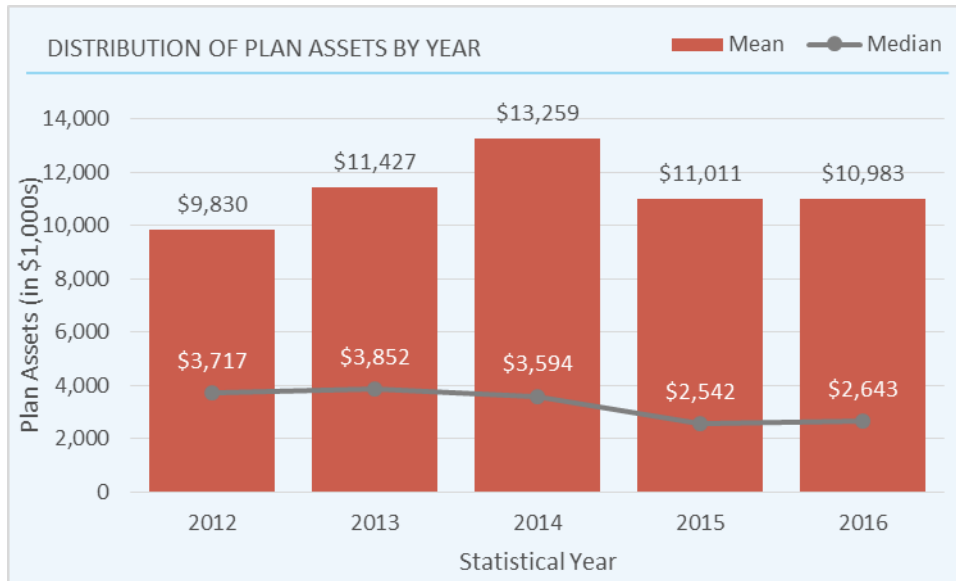
Note: This chart includes all welfare benefit codes (4A–4P) that appeared at least once in the study population.

4.3.2 Plan Assets

Filers report total plan assets on either Schedule H or Schedule I of Form 5500 (depending on plan size). Figure 17 shows the mean and median plan assets by year.



Figure 17

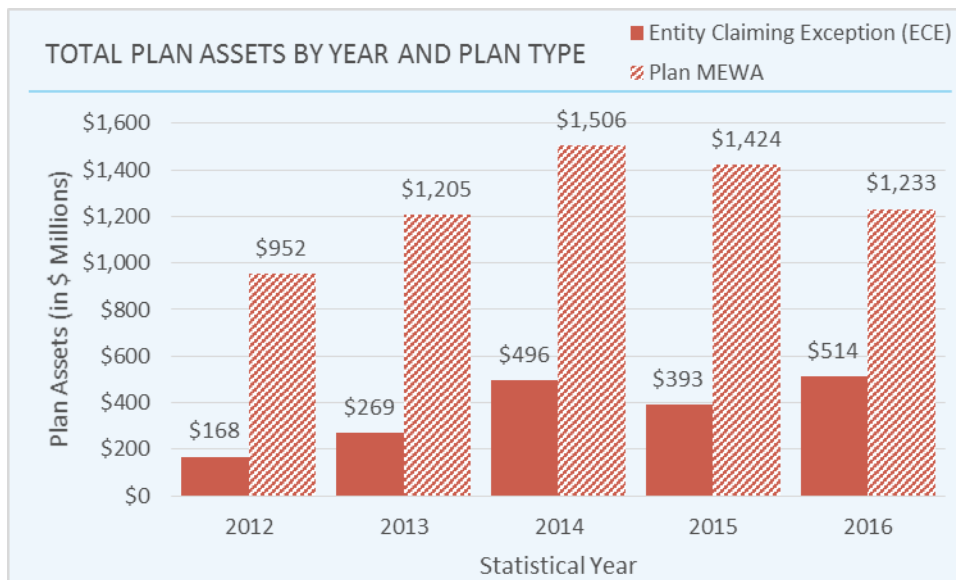


Source: Form 5500, Schedules H and I

Note: This graph is based on 718 Form M-1 filers that filed Schedule H or Schedule I and had assets greater than \$0 and less than \$1,000,000,000. One entity that reported assets greater than \$1,000,000 and seven entities that reported \$0 assets were excluded. This population is approximately 28% of Form M-1 filers and 48% of matched Form 5500 filers across all years. We excluded non-plan MEWAs from the analysis; except for GIAs, non-plan MEWAs generally do not file the Form 5500.

Figure 18 shows the total reported plan assets by year and entity type. Total assets held by plan MEWAs peaked in 2014 and declined in 2015 and 2016. The assets held by ECEs have generally increased, with the exception of 2015.

Figure 18



Source: Form 5500, Schedules H and I

Note: This graph is based on 718 Form M-1 filers that filed Schedule H or Schedule I and had assets greater than \$0 and less than \$1,000,000,000. This population is approximately 28% of Form M-1 filers and 48% of Form 5500 filers across all years. We exclude non-plan MEWAs from the analysis because these filers do not possess a PN.



4.3.3 Funding Mechanism Comparison between Form M-1 and Form 5500

Form 5500 filers are not asked to report whether they are self-insured per se, but they do identify whether the sources of funding and benefits are insurance²⁰ and are required to file a Schedule A (Insurance Information) to identify insurance contracts through which benefits are provided. However, the Affordable Care Act directed DOL to provide an Annual Report on Self-Insured Group Health Plans based on Form 5500 information. To support that required annual report, Advanced Analytical Consulting Group (AACG) and Deloitte Touche Tohmatsu Limited (Deloitte) developed a Form 5500 self-insurance algorithm that EBSA uses to identify self-insured group health plans based on the 5500 data available.²¹

Form M-1 requires filers to self-identify the funding status (fully-insured, not fully-insured) for each state in which the MEWA or ECE operates, but does not restrict the question to just health coverage. As such, comparisons of the funding status reported on the Form M-1 to the funding status derived from the Form 5500 self-insurance algorithm are imperfect. However, identifying these differences can be instructive, and so we compared the funding status of plans classified through the Form 5500 self-insurance algorithm with the self-reported funding on Form M-1.

We matched 1,506 Form M-1 filings to Form 5500 filings (67%) using EIN, PN, and statistical year.²² Of those 1,506 matches, 1,490 Form M-1 filings contained state-level insurance information and a funding mechanism classification. Of the resulting 1,490 filings, we identified and categorized 1,485 using the Form 5500 self-insurance algorithm.²³ Table 1 shows the classification rate of the Form 5500 self-insurance algorithm compared to the self-reported funding mechanism on Form M-1. The largest difference stems from the “mixed funding” category, which are defined differently based on the information available for each method. The Form M-1 approach identified only 62 entities as “fully-insured in some states,” while the Form 5500 self-insurance algorithm classified 248 entities as “mixed-funded.” Overall, 71% (1,061 entities) self-report funding status on Form M-1 consistently with the Form 5500 self-insurance algorithm classification (statistics reported along the diagonal in green).

Table 1: Comparison of Self-Insurance Algorithm and Self-Identified Funding Status on Form M-1

| | | Form M 1 Reported Funding Mechanism | | | Total |
|---|--------------|-------------------------------------|------------------------------|---------------|---------------|
| | | Not Fully Insured | Fully Insured in Some States | Fully Insured | |
| Self Insurance Algorithm Classification | Self Insured | 66% (214) | 4% (13) | 30% (96) | 100% (323) |
| | Mixed Funded | 30% (74) | 5% (12) | 65% (162) | 100% (248) |

²⁰ Line 9a of the Form 5500 requires to check all appropriate boxes to identify the funding source of the plan funding arrangement: insurance, Code section 412(2)(3) insurance contracts [pension only], trust, and general assets of the sponsor. Line 9b has the same checkboxes to identify the plan benefit arrangement.

²¹ The plans that the algorithm identifies as self-insured are summarized in a report to Congress on the nature of the self-insured health plan population. <https://www.dol.gov/sites/default/files/ebsa/researchers/statistics/retirement-bulletins/annual-report-on-self-insured-group-health-plans-2017.pdf>.

²² Matches between the Form M-1 and Form 5500 did not include plans that designated themselves as non-plan MEWAs (148 filings) or did not have an identified plan number on the Form M-1 (146 filings). Match rate for 2012–2016 calculated as 1,506 matched filings out of 2,232 eligible filings.

²³ Five entities were not classified because they did not list any welfare benefit codes on Form 5500, Part II, Item 8b. This is a necessary criterion for the algorithm.



| | | | | |
|----------------------|----------------------------|--------------------------|------------------------------|-------------------------------|
| Fully Insured | 5% (42) | 4% (37) | 91% (835) | 100% (914) |
| Total | 22% (330) | 4% (62) | 74% (1,093) | 100% (1,485) |

Note: This table is based on Form 5500 filings that matched with Form M-1 data on EIN, PN, and statistical year. It excludes non-plan MEWAs, other filers without a PN, and Form 5500 filings with missing information in fields necessary to create funding indicators.

4.3.4 Form 5500 Filing Entity Types for Form M-1 Filers

Filing entity types on Form 5500 are different from those used in Form M-1. The Form 5500 lists four entity types: DFE,²⁴ multiemployer,²⁵ single-employer plan,²⁶ and multiple-employer plan.²⁷ The Form M-1 lists three entity types: plan MEWA, non-plan MEWA, and ECE.

Figure 19 below displays the distribution of entity types reported on Form 5500 filings submitted by Form M-1 filers by statistical year. As expected, the most common entity type chosen was multiple-employer plan. The number of multiple-employer plans that file the Form 5500 has risen since 2012. Given their respective definitions, an entity that self-identifies as an ECE would be most likely to identify itself as a multiemployer plan on the Form 5500.

²⁴ A DFE is an entity that must (Master Trust Investment Accounts) or can file a Form 5500 on behalf of a group of plans to alleviate participating plans from having to provide certain information on the plan's own Form 5500. DFEs include certain trusts, accounts, and other investment arrangements, including GIAs (GIAs are non-plan MEWAs required to file the Form M-1).

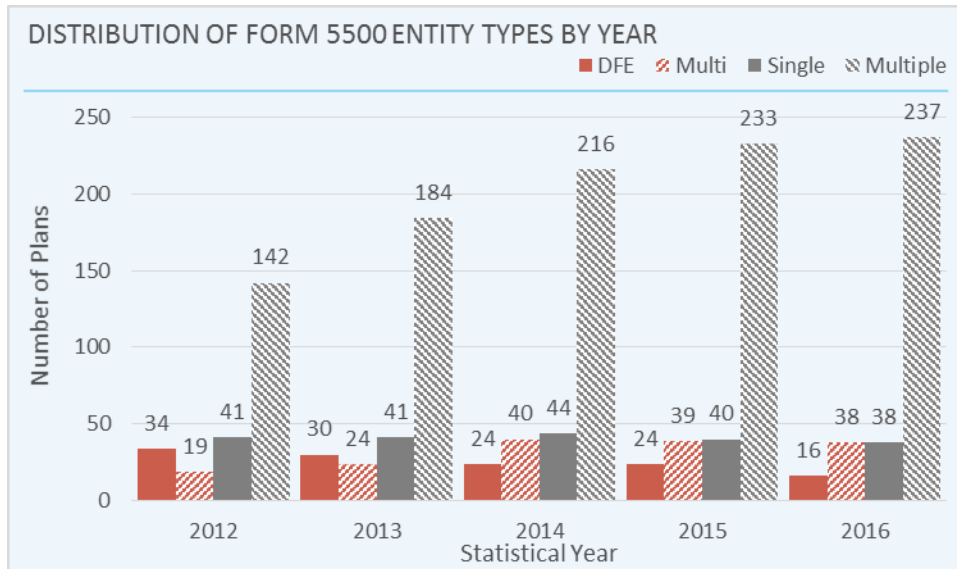
²⁵ A plan is a multiemployer plan if: (a) more than one employer is required to contribute, (b) the plan is maintained pursuant to one or more collective bargaining agreements between one or more employee organizations and more than one employer. (Certain additional provisions for pension plans omitted.)

²⁶ A single employer plan for this Form 5500 reporting purpose is an employee benefit plan maintained by one employer or one employee organization.

²⁷ A multiple-employer plan is a plan that is maintained by more than one employer and is not one of the plans already described. Plan MEWAs are multiple-employer plans. Fully-insured non-plan MEWAs that meet the requirements can choose to file the Form 5500 as a GIA, a specific type of DFE. Non-plan MEWAs, including GIAs, were not included in the matching methodology.



Figure 19



Source: Form 5500, Part 1, Question A

N = 1,504 filers, excludes non-plan MEWAs, other filers without a PN, Form M-1 filers that did not file Form 5500, and those that did not provide information on entity type.

4.4 ANSWERS RELATED TO COMPLIANCE WITH PARTS 7 AND 4 OF ERISA

In the following section, we examine filer responses for compliance in three areas, based on the information available in the Form M-1: Part 7 health provisions, Part 7 litigation proceedings, and Section 403 in Part 4 of Title I of ERISA.²⁸

4.4.1 ERISA Part 7 Health Provisions

Part III of the form contains general “yes” or “no” questions about self-reported compliance with Part 7 health provisions which consists of HIPAA, Newborns’ and Mothers’ Health Protection Act (NMHPA), Women’s Health and Cancer Rights Act (WHCRA), Mental Health Parity and Addiction Equity Act (MHPAEA), Genetic Information Nondiscrimination Act (GINA), Michelle’s Law (ML), and Affordable Care Act (ACA). The Form M-1 instructions describe these generally as follows:

- **Health Insurance Portability and Accountability Act of 1996 (HIPAA)**—Requires plans to provide for, among other things, improved portability of and nondiscrimination in health insurance coverage.
- **Newborns’ and Mothers’ Health Protection Act of 1996 (NMHPA)**—Provides protections for mothers and their newborns with regard to the length of hospital stays in connection with childbirth.
- **Women’s Health and Cancer Rights Act of 1998 (WHCRA)**—Provides protections for patients who elect breast reconstruction in connection with a mastectomy.
- **Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA)**—Provides protections for benefits for mental health conditions and substance use disorders.

²⁸ Other than the question regarding the trust requirements in section 403 of ERISA, the compliance questions on the Form M-1 are limited to Part 7 of Title I of ERISA.



- **Genetic Information Nondiscrimination Act of 2008 (GINA)**—Prohibits the use of genetic information to adjust group premiums or contributions, prohibits the collection of genetic information, and prohibits requesting individuals to undergo genetic testing.
- **Michelle’s Law (ML)**—Provides protections for dependent students who take a medically necessary leave of absence.
- **Patient Protection and Affordable Care Act (ACA)**—Provides significant healthcare market reforms that affect coverage for dependents, preexisting conditions exclusions, preventive care, and other areas.

For the entire period of analysis, over 99% of filers reported compliance with all Part 7 health provisions of ERISA.

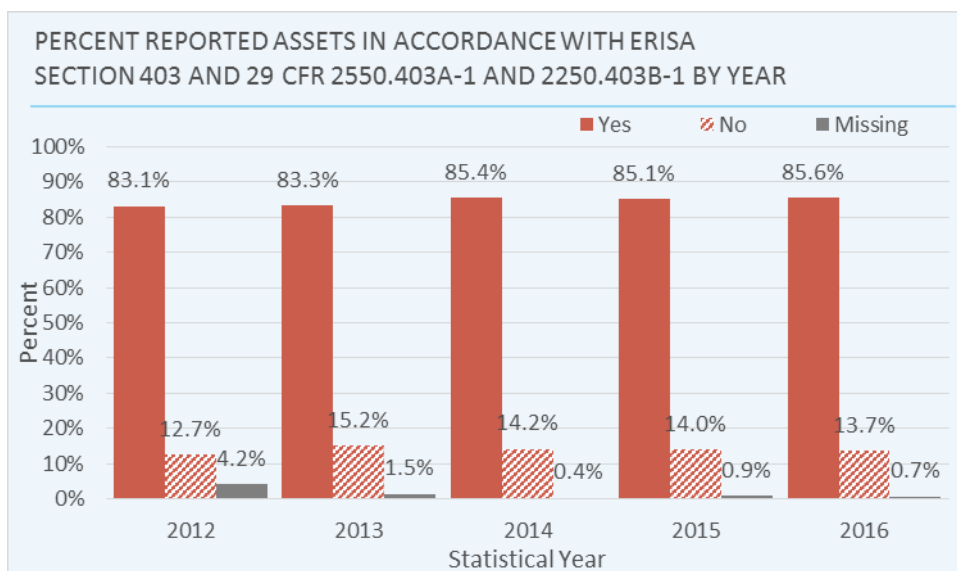
4.4.2 ERISA Part 7 Litigation Proceedings

Questions 16a and 20 of the Form M-1 ask filers to report if they have been involved in any litigation, investigations, or other enforcement proceedings related to the ERISA Part 7 provisions instituted by a Federal or State agency in the last five years. Over the study period, nine filings associated with three filers indicate involvement in litigation proceedings regarding ERISA Part 7.

4.4.3 Section 403 of ERISA

Question 15 in Part II of the Form M-1 requires filers to answer a “yes” or “no” question as to whether they maintained all assets consistent with ERISA Section 403 and 29 CFR 2550.403a-1 and 2550.403b-1. ERISA Section 403 requires the MEWA or ECE to hold assets in a trust, unless it meets certain exemption requirements.²⁹ Figure 20 displays the responses by year. Approximately 85% of filers report consistency with this ERISA provision.

Figure 20



Source: Form M-1, Part II, Question 15

²⁹ For more information, see: <http://www.gpo.gov/fdsys/pkg/CFR-2012-title29-vol9/xml/CFR-2012-title29-vol9-part2550.xml>. It is not clear, however, from the Form M-1 filings, whether the assets were held in trust or the entity is claiming that it does not have to hold assets in trust. As noted above, a Form 5500 filed by the MEWA or ECE, however, would show whether the funding and/or benefit arrangements included a trust.

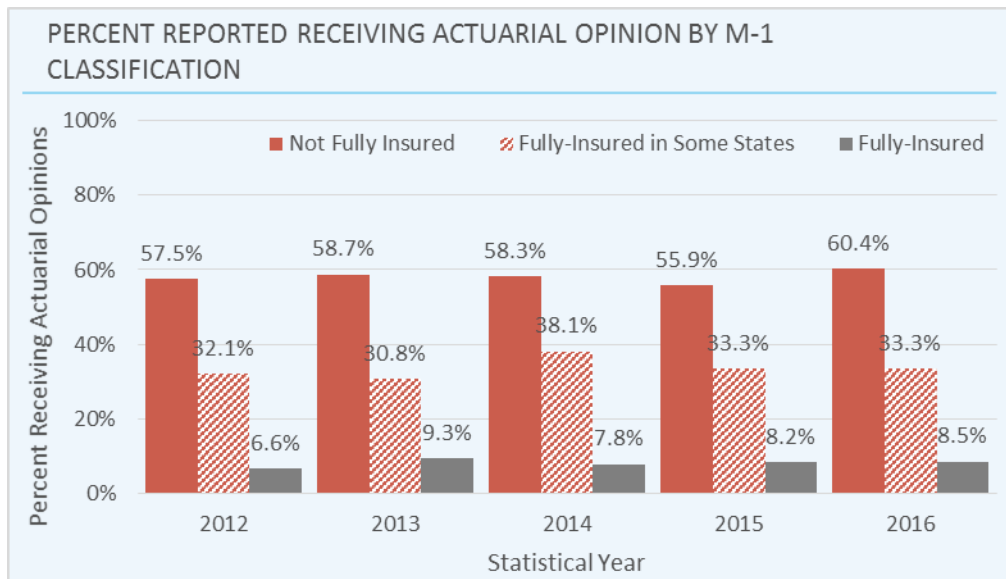


N = 2,526 filers

4.5 ACTUARIAL OPINIONS AND FIDUCIARY LIABILITY

The Custodial and Financial Information section of Form M-1 asks filers to report if an actuary has reviewed the MEWA’s or ECE’s actuarial soundness. Since actuarial reports are most relevant for plans that are not fully-insured, Figure 21 shows the percent reported receiving actuarial opinion by Form M-1 self-reported funding classification. Over 55% of not fully-insured filers reported that they had undergone an actuarial review.

Figure 21



Source: Form M-1, Part II, Question 13

N = 2,488 filers excludes filers that did not include state-level information as funding classification could not be determined

Additionally, filers must report coverage by fiduciary liability policies. 77% of filers report that administrators, officers, directors, and employees of MEWAs or ECEs are covered by fiduciary liability policies. 69% of filings indicate that the fiduciaries are covered by fiduciary liability policies. This trend is consistent over time.

4.6 INSURANCE PROVIDERS

MEWAs and ECEs may purchase health insurance through third parties, which they report on both Form M-1 and Form 5500, Schedule A. In the following section, we present the most frequently reported insurers on Form M-1, followed by the most frequently reported insurers on Form 5500, Schedule A for this population.

4.6.1 Most Common Insurance Providers Reported on Form M-1

This analysis seeks to identify the most common insurance providers reported on Form M-1. We employed a text searching and cleaning algorithm to identify the most frequently used insurers by name. This algorithm groups insurers with a similar name together. For example, the category “Blue Cross Blue Shield” includes all insurers with “Blue Cross Blue Shield” in the name (e.g., “Blue Cross Blue

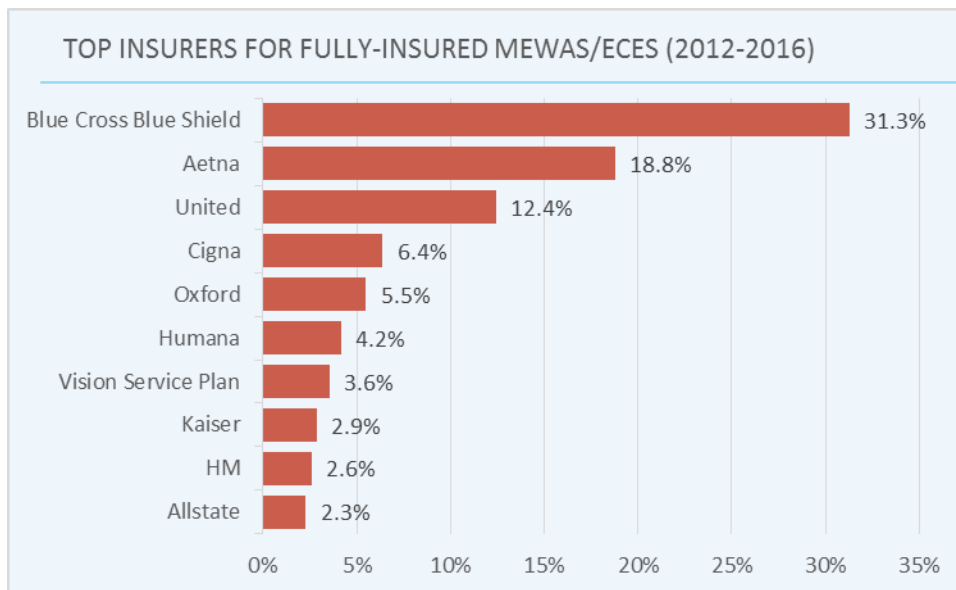


Shield of Nebraska,” “Blue Cross Blue Shield of North Dakota”). It also includes other affiliated plans under the Blue Cross Blue Shield Umbrella that include the name “Anthem.”

As described earlier, Form M-1 requires filers to list the name and National Association of Insurance Commissioners (NAIC) code of the health insurers used in each state the MEWA or ECE operates. The form also asks whether the entity is fully-insured within the state and whether the entity purchased stop-loss coverage. We look at the most frequently reported insurers first, for fully-insured MEWAs and ECEs and, second, for “not fully-insured” MEWAs and ECEs with stop-loss coverage. As reported above in Figure 13, 69% of MEWAs and ECEs in the period of study self-report as fully-insured, compared to 26% self-reported as “not fully-insured” and 5% self-reported as “fully-insured in some states.”

Figure 22 displays the top insurers for fully-insured MEWAs and ECEs. Since a filer reports the insurer for each state, the percentage represents the number of state-entity combinations associated with a unique insurer divided by all state-entity combinations. For example, if a plan MEWA reports insurers in three states, we count each unique state-entity combination as a unique record, for a total of three. As a result, the number of insurance contracts is higher than the number of filers. Blue Cross Blue Shield is reported for 31% of fully-insured state-entity combinations.

Figure 22

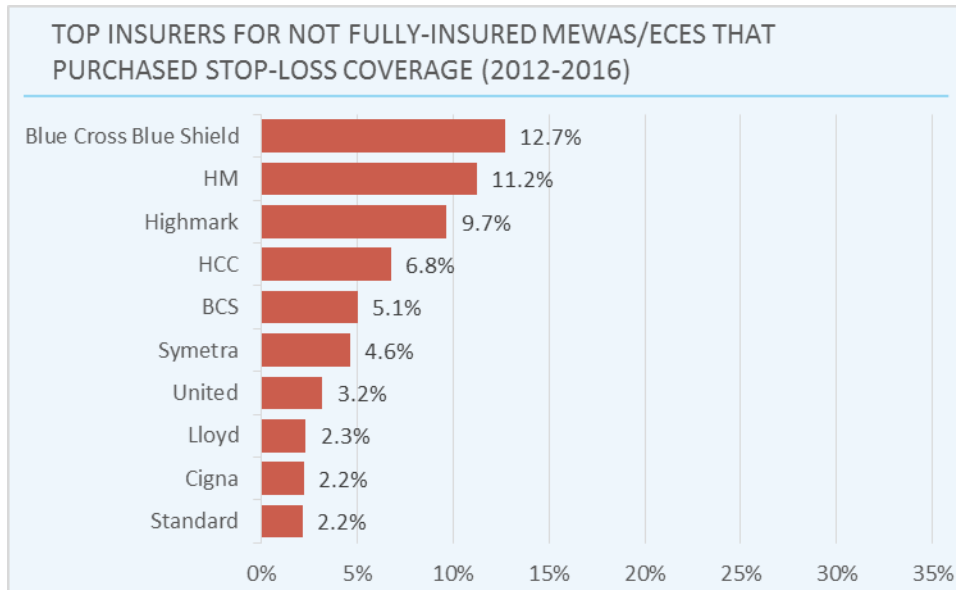


Source: Form M-1, Question 17
 N= 11,814 fully-insured state-entity combinations

Approximately 80% of filers “not fully-insured” indicated they had purchased stop-loss coverage, as shown above in Figure 14. Figure 23 displays the top insurers for MEWAs or ECEs “not fully-insured” that purchased stop-loss coverage. The percentage represents the number of state-entity combinations associated with a unique insurer divided by all state-entity combinations in the relevant population.



Figure 23



Source: Form M-1, Question 17

N= 1,621 not fully-insured state-entity combinations that purchased stop-loss coverage

4.6.2 Most Common Insurance Providers Reported on Schedule A

When submitting Form 5500, a filer must include a unique Schedule A for every insurance company, insurance service, or other similar organization that provides benefits under the employee benefit plan.³⁰ Schedule A is an attachment to Form 5500, thus only Form M-1 filers that also submit Form 5500 submit a Schedule A. 67% of Form M-1 filings (1,506 out of 2,232 eligible Form M-1 filings in our study), from statistical years 2012 through 2016, were matched to Form 5500 filings.³¹ Of those filings, 96% had at least one Schedule A associated with its filing.³² As a result, the following findings are based on 65% of the population of Form M-1 filers.

The Schedule A form has three fields that identify insurers: insurer name, EIN, and the NAIC code. This analysis identifies the most frequently reported insurers on Schedule A in the following ways:

- **Insurer Name**—We employed a text searching and cleaning algorithm to identify the most frequently used insurers by name.
- **Insurer EIN**—We excluded records with a missing insurer EIN prior to identifying the most frequently used insurers by EIN.

Similar to the process described above, the name matching algorithm groups insurers with a similar name together. Next, we analyzed the EIN field to identify the most common insurers reported by EIN.

³⁰ See Form 5500 filing instructions here: <https://www.dol.gov/sites/default/files/ebsa/employers-and-advisers/plan-administration-and-compliance/reporting-and-filing/form-5500/2017-instructions.pdf> .

³¹ See Appendix B for additional details on data cleaning steps.

³² Certain individual contracts grouped as a unit can be reported on a single Schedule A. See Form 5500 Schedule A and its instructions.



Table 2 and Table 3 present the most common insurers by funding status (as classified by the self-insurance algorithm described in Section 4.3.3). Next, Table 4 and Table 5 present the most common insurers by benefit type (as reported on Form 5500 Part II Question 8b).

Table 2 displays these results side by side for fully-insured plans.³³ On the left is the distribution of the most frequently reported insurers in the fully-insured MEWA or ECE population based on prevalence of an insurer's name. The right shows this prevalence by insurer EIN for fully-insured contracts. The percentage reflects the number of Schedule A filings associated with a unique insurer for a fully-insured contract divided by all matched Schedule A filings associated with a fully-insured contract. Because the Schedule A directs filers to submit a separate Schedule A for each insurance contract, the number of Schedule A filings is higher than the number of filers. While Blue Cross Blue Shield is the top insurer by name, it does not appear on the top insurers by EIN, likely because this insurer is associated with multiple EINs.

Table 3 presents the most frequently reported stop-loss insurers for self-insured plans,³⁴ based on name and EIN. Most of the same insurers present in the Form M-1 insurer analysis (Figure 21 and Figure 22) are in Table 2 and Table 3, although the rank and percentages differ.

³³ Classified using the Form 5500 insurance algorithm described in Section 4.3.3.

³⁴ Classified using the Form 5500 insurance algorithm described in Section 4.3.3.



Table 2: Top Insurers for Fully-Insured MEWAs/ECEs by Name and EIN (2012–2016)

| Top Insurers by Name | | Top Insurers by EIN | | |
|---|---------|---------------------|--|---------|
| Insurer Name | Percent | Insurer EIN | Insurer Name | Percent |
| Blue Cross Blue Shield | 9.2% | 350472300 | Lincoln National Life Insurance Company | 5.8% |
| Kaiser | 6.5% | 941340523 | Kaiser Foundation Health Plan | 5.0% |
| Lincoln Life | 6.4% | 010278678 | Unum Life Insurance Company of North America | 4.2% |
| Humana | 5.9% | 362739571 | United Healthcare Insurance Company | 3.3% |
| Vision Service Plan | 4.8% | 135581829 | Metropolitan Life Insurance Company | 2.9% |
| Unum | 4.4% | 066033492 | Aetna Insurance Company | 2.8% |
| Aetna | 4.2% | 390714280 | Humana Dental Insurance Company of North America | 2.6% |
| United | 4.1% | 231503749 | Life Insurance Company of North America | 2.6% |
| Metropolitan | 3.7% | 940360524 | California Physicians' Service | 1.8% |
| Life Insurance Company of North America | 2.8% | 391263473 | Humana Insurance Company | 1.8% |

Source: Form 5500, Schedule A

N = 5,778 Schedule As by Name and 5,763 by EIN that were categorized as “fully-insured” by the self-insurance algorithm

Table 3: Top Insurers providing Stop-Loss Coverage to MEWAs/ECEs by Name and EIN (2012–2016)

| Top Insurers by Name | | Top Insurers by EIN | | |
|---|---------|---------------------|---|---------|
| Insurer Name | Percent | Insurer EIN | Insurer Name | Percent |
| Blue Cross Blue Shield | 14.4% | 930242990 | Standard Life Insurance Company | 7.3% |
| Standard | 7.6% | 010278678 | Unum Life Insurance Company of America | 5.5% |
| Vision Service Plan | 7.0% | 061227840 | Vision Service Plan | 4.7% |
| Unum | 5.5% | 220999690 | Horizon Health Services Life Insurance Company of North America | 4.2% |
| Delta Dental | 4.2% | 231503749 | America | 2.6% |
| Dearborn | 3.8% | 362598882 | Dearborn National Life Insurance Company | 2.6% |
| Life Insurance Company of North America | 2.6% | 450173185 | Blue Cross Blue Shield of North Dakota | 2.4% |
| Sun Life Assurance | 2.4% | 910742147 | Symetra Life Insurance | 2.1% |
| Kaiser | 2.2% | 941340523 | Kaiser Foundation Health Plan Metropolitan Life Insurance Company | 2.0% |
| Symetra | 2.1% | 381082080 | Company | 1.8% |

Source: Form 5500, Schedule A

N = 984 Schedule As by Name and 982 Schedule As by EIN that were categorized as “self-insured” by the self-insurance algorithm and indicated purchase of stop-loss coverage on Form 5500



Table 4 presents the most common insurance providers for health coverage (welfare benefit feature code “4A” on Form 5500 Part II Question 8b) by name (left) and EIN (right). Similarly, Table 5 presents the most common insurers for life insurance coverage (welfare benefit feature code “4B” on Form 5500 Part II Question 8b). Since filers may select up to 20 welfare feature codes, the results below are not mutually exclusive. All Schedule As that listed the applicable welfare feature code are included in the corresponding table.

Table 4: Top Insurers providing Health Coverage to MEWAs/ECEs by Name and EIN (2012–2016)

| Top Insurers by Name | | Top Insurers by EIN | |
|------------------------|-------|--|-------|
| Blue Cross Blue Shield | 24.5% | 941340523 Kaiser Foundation Health Plans | 13.2% |
| United | 7.1% | 066033492 Aetna Health Insurance | 5.0% |
| Humana | 4.5% | 361236610 Blue Cross Blue Shield | 4.2% |
| Cigna | 2.9% | 590781901 American Heritage Life | 2.4% |
| Health Net | 2.5% | 910499247 Premera Blue Cross | 2.2% |

Source: Form 5500, Schedule A
N = 3,190 Schedule As by Name and 3,189 Schedule As by EIN that listed welfare benefit feature code “4A” on Form 5500 Part II Question 8b

Table 5: Top Insurers providing Life Insurance Coverage to MEWAs/ECEs by Name and EIN (2012–2016)

| Top Insurers by Name | | Top Insurers by EIN | | |
|---|---------|---------------------|---|---------|
| Insurer Name | Percent | Insurer EIN | Insurer Name | Percent |
| Unum | 10.9% | 010278678 | Unum Life Insurance Company of America | 10.7% |
| Lincoln Life | 10.5% | 350472300 | The Lincoln National Life Insurance Company | 10.1% |
| Humana | 7.2% | 391263473 | Humana Insurance Company | 6.7% |
| Metropolitan | 5.6% | 231503749 | Life Insurance Company of North America | 5.9% |
| Blue Cross Blue Shield | 4.7% | 135581829 | Metropolitan Life Insurance Company | 5.4% |
| Aetna | 4.1% | 930242990 | Standard Insurance Company | 4.0% |
| Standard | 4.0% | 066033492 | Aetna Life Insurance Company | 3.8% |
| Life Insurance Company of North America | 3.8% | 221211670 | Prudential Insurance Company of America | 3.4% |
| Prudential | 3.4% | 570144607 | Colonial Life Insurance Company | 3.3% |
| Colonial | 3.3% | 470322111 | United of Omaha Life Insurance Company | 2.9% |

Source: Form 5500, Schedule A
N = 1,835 Schedule As by Name and 1,833 Schedule As by EIN that listed welfare benefit feature code “4B” on Form 5500 Part II Question 8b



5 SUMMARY OF FINDINGS

As presented in this report, we analyzed the data available from Form M-1 filings of MEWAs and ECEs for certain characteristics of Form M-1 filers and examined how trends have changed between statistical years 2012 to 2016. Additionally, we examined Form 5500 attributes available for the subset of the population that filed both Form M-1 and Form 5500.

Many attributes of the Form M-1 filing population remained relatively constant over the filing period, including the size of the filing population (547 filers in 2016) and the high rate of self-reported compliance with ERISA Part 7 provisions (99%). The total number of reported participants covered by MEWAs and ECEs annually has climbed from 1.5 million in 2012 to over two million in 2016. The majority of MEWAs and ECEs (69.6% in 2016) report that they are fully-insured and most entities not fully-insured report purchasing stop-loss coverage (80% over the period of study).

Finally, we looked to identify the insurance providers serving this population and their prevalence across filers. As reported on the Form M-1 by name, Blue Cross Blue Shield covered the largest share of MEWAs and ECEs for those that were fully-insured (31% over the period of study). Similarly, Blue Cross Blue Shield is the most common stop-loss coverage provider among Form M-1 filings in the study period that are not fully-insured (12.7%). For the population of Form M-1 filers that also filed a Form 5500 Schedule A, the most common insurance providers as reported by name for health insurance (Blue Cross Blue Shield, 24.5%) and life insurance (Unum, 10.9%) were identified.

This report quantifies the size of the Form M-1 filing population each year over the period of study and geographically by states in which a filer reports operating. These results may have policy implications on future reporting requirements for this population.



Appendix A 2016 FORM M-1

| | | |
|--|---|---|
| 2016 Form M-1 MEWA-ECE Form This Form is Open to Public Inspection | Report for Multiple Employer Welfare Arrangements (MEWAs) and Certain Entities Claiming Exception (ECEs) This filing is required to be filed under section 101(g) of the Employee Retirement Income Security Act of 1974, as amended by the Patient Protection and Affordable Care Act. | OMB No. 1210-0116 Department of Labor Employee Benefits Security Administration |
| PART I PURPOSE OF FILING | | |
| Complete as applicable: | | |
| A Identify the type of filing: (1) <input type="checkbox"/> Annual Report: <input type="checkbox"/> Calendar Year, or <input type="checkbox"/> Fiscal Year beginning _____ and ending _____ (2) <input type="checkbox"/> Registration (3) <input type="checkbox"/> Origination (4) <input type="checkbox"/> Special Filing | C Identify the type of entity: (1) <input type="checkbox"/> A Plan MEWA (2) <input type="checkbox"/> A Non-Plan MEWA (3) <input type="checkbox"/> An Entity Claiming Exception | D Enter the most recent date the MEWA or ECE filed Form M-1: <input type="checkbox"/> Check the box if this is the first filing or enter the date below. |
| B Check here if this is a final report <input type="checkbox"/> Check here if this is an amended report <input type="checkbox"/> Check here if this is a request for an extension <input type="checkbox"/> | | |
| PART II CUSTODIAL & FINANCIAL INFORMATION | | |
| 1a Name and address of the MEWA or ECE | Telephone number of the MEWA or ECE | |
| | 1c Employer Identification Number (EIN) | |
| | Plan Number (PN) | |
| 2a Name and address of the administrator of the MEWA or ECE | 2b Telephone number of the administrator | |
| | 2c EIN | |
| | 2d E-mail address of the administrator | |
| 3a Name and address of the entity or entities sponsoring the MEWA or ECE | 3b Telephone number of the sponsor | |
| | 3c EIN | |
| 4a Name and address of the agent for service of process or registered agent | 4b Telephone number of such person | |
| | 4c E-mail address of such person | |
| 5a Name and address of each member of the Board, officer, trustee, or custodian of the MEWA or ECE | 5b Telephone number of each such person | |
| | 5c E-mail address of such person | |
| 6a Name and address of all promoters and/or agents responsible for marketing the MEWA or ECE | 6b Telephone number of each promoter or agent | |
| | 6c E-mail address of such person | |
| | 6d EIN of each promoter or agent | |



| | |
|--|--|
| 7a Name and address of any person, financial institution(s), or other entity holding assets for the MEWA or ECE | 7b Telephone Number of person financial institution or entity |
| 8a Name and address of any actuary(ies) providing services to the MEWA or ECE | 8b Telephone number of each actuary |
| | 8c E-mail address of each actuary |
| | 8d EIN of each actuary |
| 9a If the MEWA or ECE has a contract with a third party administrator (TPA) the name and address of the third party administrator(s) | 9b Telephone number of each TPA |
| | 9c E-mail address each TPA |
| | 9d EIN of each TPA |
| 10a Name and address of any person or entity that has authority or control over the MEWA's or ECE's assets or over assets paid to the entity by plans or employers for the provision of benefits | 10b Telephone number of each such person or entity |
| | 10c E-mail address of such person or entity |
| | 10d EIN of each such person or entity |
| 11a Name and address of any person or entity that has discretionary authority, control, or responsibility with respect to the administration the MEWA or ECE or any benefit program offered by it | 11b Telephone number of each such person or entity |
| | 11c E-mail address of such person or entity |
| | 11d EIN of each such person or entity |
| 12a Names and addresses of the MEWAs or ECEs that merged | 12b Telephone number of the entities |
| | 12c EINs |
| | 12d PNs |
| 13 Do you have an opinion from an actuary assessing the MEWA's or ECE's actuarial soundness, including the adequacy of contribution rates? → <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| 14a Are your entity, and/or its officers, directors, and employees covered by fiduciary liability policies? Please identify the carrier that issued the fiduciary liability policy(ies) in the space provided. → <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| 14b Are the fiduciaries of each of the plans whose participants are receiving benefits from the entity covered by a fiduciary liability policy? → <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| 15 Are all assets in the possession of the MEWA or ECE maintained consistent with section 403 of ERISA and 29 CFR 2550.403a-1 and 2550.403b-1? → <input type="checkbox"/> Yes <input type="checkbox"/> No <i>If no, please explain.</i> | |
| 16a Within the past five years, has any litigation, investigation, or other enforcement proceeding (including any administrative proceeding) regarding any MEWA, ECE, or Group Health Plan been instituted by a Federal or State agency against the MEWA or ECE, a trustee, or a director, owner, partner, senior manager, or office of the sponsoring entity? <i>If yes, please identify each litigation or enforcement proceeding to include (if applicable): (1) the case number, (2) the date, (3) the nature of the proceedings, (4) the court, (5) all parties (for example, plaintiffs and defendants or petitioners and respondents), and (6) the disposition.</i> → <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| 16b Have any of the persons or entities listed in this Part II ever been the subject of any criminal or civil investigation or action involving dishonesty or breach of trust or been convicted of a felony? → <input type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, please explain.</i> | |
| 16c Have any cease and desist orders been issued by a Federal or State agency against any persons or entities listed in this Part II? → <input type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, please list the issuing entities and the year in which each order was issued.</i> | |



17 Complete the following chart:

| 17a | 17b | 17c | 17d | 17e | 17f | 17g | 17h | 17i | 17j |
|--|-----------------------|----------------------------|---|--|-----------------------------------|--|---|--|---|
| Enter all States where the MEWA or ECE is operating. | Is coverage provided? | State registration number. | Name of state agent or entity for service of process. | Is the entity a licensed health insurer in this State? | If yes to 17e, enter NAIC number. | If no to 17e, is the entity fully insured? | If yes to 17g, enter name and NAIC number of insurer. | Does the entity purchase stop loss coverage? | If yes to 17i, enter the name and NAIC number of insurer. |
| | | | | | | | | | |

18 Of the States identified in box 17a, identify those States in which the entity conducted 20 percent or more of its business (based on the number of participants receiving coverage for medical care).

19 Total number of participants covered under the entity as of the last day of the year to be reported. (For Registration, Origination, or Special Filing, report current information as of the date of the filing)..... →

PART III INFORMATION FOR COMPLIANCE WITH PART 7 OF ERISA

20 If you answered yes to box 16a, in reference to any State or Federal litigation or enforcement proceeding (including any administrative proceeding), check yes below if the allegation concerns a provision under part 7 of ERISA, a corresponding provision under the Internal Revenue Code or Public Health Service Act, a breach of any duty under Title I of ERISA if the underlying violation relates a requirement under part 7 of ERISA, or a breach of a contractual obligation if the contract provision relates to a requirement under part 7 of ERISA. → Yes No

21 Is this a filing for which compliance with part 7 can be evaluated? (Note: The Self-Compliance Tool at <http://www.dol.gov/ebsa/healthlawschecksheets.html> may be helpful in answering Boxes 21a-21f.) If "yes," complete the following..... → Yes No

| | | | |
|--|------------------------------|-----------------------------|------------------------------|
| 21a Is the coverage provided by the MEWA or ECE in compliance with the portability and nondiscrimination provisions of the Health Insurance Portability and Accountability Act of 1996, including Title I of the Genetic Information Nondiscrimination Act of 2008, and the Department of Labor's (Department's) regulations thereunder?..... → | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| 21b Is the coverage provided by the MEWA or ECE in compliance with the Mental Health Parity Act of 1996 and the Mental Health Parity and Addiction Equity Act of 2008 and the Department's regulations issued thereunder?..... → | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| 21c Is the coverage provided by MEWA or ECE in compliance with the Newborns' and Mothers' Health Protection Act of 1996 and the Department's regulations issued thereunder?..... → | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| 21d Is the coverage provided by the MEWA or ECE compliance with the Women's Health and Cancer Rights Act of 1998?..... → | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| 21e Is the coverage provided by the MEWA or ECE in compliance with Michelle's Law?..... → | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| 21f Is the coverage provided by the MEWA or ECE in compliance with the Patient Protection and Affordable Care Act of 2010 and the Department's regulations issued thereunder that are applicable as of the date signed at the bottom of this form?..... → | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

ATTACHMENTS

SIGNATURE

Under penalty of perjury and other penalties set forth in the instructions, I declare that I have examined this report, including any accompanying attachments, and to the best of my knowledge and belief, it is true and correct. Under penalty of perjury and other penalties set forth in the instructions, I also declare that, unless this is an extension request, this report is complete.

Signature of Administrator:

Address of Administrator:

Date:



Appendix B CHANGES TO FORM M-1 IN 2012

Revisions to Form M-1 in 2012

Form M-1 underwent the following changes starting with 2012 filings. Electronic filings became mandatory and paper filings were eliminated. As of 2012, the following new information is now required of Form M-1 filers:

- Filers must identify their filing entity type as a plan MEWA, non-plan MEWA, or ECE.
- Filers are required to provide identification information for the following:
 - agent for service of process or registered agent³⁵
 - board members, trustees, and officers
 - promoters³⁶
 - actuaries that provided service to the MEWA or ECE
 - third party administrators (TPA)³⁷
 - individuals or entities in charge of the MEWA or ECE assets
 - financial institutions that held the MEWA or ECE assets
 - any person or entity that has discretionary authority, control, or responsibility over the MEWA or ECE
 - any MEWAs or ECEs that merged
- Filers report if MEWA or ECE assets are maintained consistent with ERISA Section 403, if they have been subject to actuarial review, and if they use fiduciary liability policies.

The instructions to the M-1 were expanded to require a Form M-1 in the case of any registration events separate from any annual reporting requirement:

- begins to offer medical coverage for the first time
- merges with another MEWA
- expands coverage into a new state
- experiences an increase in number of participants by 50% or more since the end of the previous calendar year
- undergoes a material change³⁸

There have been no significant changes to Form M-1 since 2012.

³⁵ This is a person appointed by the MEWA or ECE to receive legal notices on behalf of the MEWA or ECE.

³⁶ Promoters are responsible for marketing the MEWA or ECE.

³⁷ A TPA is a person or entity hired by the MEWA or ECE to handle claims processing, pay providers, and manage other responsibilities associated with insurance.

³⁸ A material change occurs if any information in the second section, entitled "Custodial and Financial Information," changes.



Appendix C DATA PREPARATION

This appendix provides details on the data preparation steps applied to create the analysis dataset.

We present these results using statistical year—the year containing the day when the plan year ends—which is equivalent to the Plan Year End (PYE). Data used to produce this report includes Form M-1 and Form 5500 filings submitted as of February 28, 2018. This study is based on Form M-1 filings from statistical years 2012 through 2016.

We dropped records with a missing or invalid EIN (e.g., "00-0000000" or "99-9999999"). We then define a MEWA or ECE as a unique combination of EIN and PN (if provided), keeping the most recent filing per statistical year.³⁹ If PN is missing, we identify a unique filer solely by EIN within a statistical year. This results in 2,526 filers between 2012 and 2016.

Table 6 summarizes these data cleaning steps.

Table 6: Data Cleaning Waterfall for Form M-1 Database

| Data Cleaning Step | Records Removed | Records Remaining |
|---|-----------------|-------------------|
| Data extracted from Form M-1 database for statistical years 2012–2016 | -- | 3,463 |
| Drop records with missing or invalid EIN | 334 | 3,129 |
| Keep the most recent filing for EIN/PN/statistical year | 603 | 2,526 |

This filing population may differ from the actual population of MEWAs and ECEs. For example, due to the limited reporting requirements for ECEs, these counts represent only a subset of the total ECE population.

For the subset of Form M-1 filers that also file Form 5500, we applied several data preparation steps to link Form M-1 and Form 5500 filings. As plans may submit multiple Form 5500s in a year to correct previous filings or account for short plans years, we chose the most complete Form 5500 filing for each plan. When a plan had multiple complete Form 5500s, we retained the most recent plan filing per statistical year. We matched Form M-1 filers to Form 5500 filings using EIN, PN, and statistical year. Therefore, we excluded Form M-1 filers without a PN from the match.

³⁹ The most recent filing may not be the most complete filing. Additionally, when the most recent filing is a registration filed in the last 90 days of a plan year, an annual filing would not be required for the following plan year.



Table 7: Data Cleaning Waterfall for Form M-1 and Form 5500 Merge

| Data Cleaning Step | Records Removed | Records Remaining |
|--|-----------------|-------------------|
| Form M-1 filers | -- | 2,526 |
| Drop non-plan MEWAs | 148 | 2,378 |
| Drop records with missing PN | 146 | 2,232 |
| Match to Form 5500 on EIN, PN, statistical year [1], [2] | 726 | 1,506 |
| Retain records with a Form 5500 Schedule A [3] | 59 | 1,447 |

Notes: [1] Match rate presented in Figure 13 is based on 1,750 eligible filers in 2012-2015 (excludes 2016). Including 2016, total eligible filers equal 2,232. Eligible filers are those that provided a plan number and are not non-plan MEWAs. This corresponds to the third row of this table. [2] For the funding mechanism analysis, we dropped an additional 21 records that did not report a welfare benefit code on the Form 5500 or funding mechanism on the Form M-1. This is a required condition the self-insurance algorithm scores. [3] These 1,447 filings correspond to 9,159 Form 5500 Schedule As. Of these 9,159 Schedule As, 9,099 records contained a value for insurer name and 9,080 records contained a value for insurer EIN.



Appendix D STATE-LEVEL ANALYSIS

This appendix presents results from the state-level analysis. These results include the number of MEWAs and ECEs operating in each state by year, the number with 20% or more of their business in each state by year, the percentage licensed in each state by year, the percentage that identified as fully-insured in each state by year, the percentage that identified as self-insured in each state by year, and the percentage that identified stop-loss coverage was purchased in each state by year.⁴⁰

Table D-1 shows the changes in plan MEWAs at the state level. Because plan MEWAs are the majority of the Form M-1 filing population, the changes in this population mirror the population of filers as a whole. Note that cells with “-” indicate zero observations, as opposed to missing observations, in the relevant population.

Table D-1: Number of Plan MEWAs That Operate in Each State by Year

| State/Territory | 2012 | 2013 | 2014 | 2015 | 2016 |
|----------------------|------|------|------|------|------|
| Alabama | 36 | 46 | 56 | 58 | 59 |
| Alaska | 23 | 26 | 30 | 26 | 25 |
| American Samoa | - | 2 | - | - | - |
| Arizona | 50 | 70 | 72 | 71 | 68 |
| Arkansas | 25 | 35 | 41 | 39 | 37 |
| California | 104 | 125 | 130 | 132 | 124 |
| Colorado | 49 | 62 | 77 | 70 | 68 |
| Connecticut | 38 | 48 | 53 | 58 | 55 |
| Delaware | 24 | 27 | 31 | 30 | 32 |
| District of Columbia | 36 | 39 | 44 | 51 | 53 |
| Florida | 68 | 82 | 96 | 101 | 95 |
| Georgia | 69 | 75 | 88 | 84 | 83 |
| Guam | - | 2 | - | - | - |
| Hawaii | 17 | 18 | 19 | 21 | 17 |
| Idaho | 39 | 42 | 45 | 46 | 42 |
| Illinois | 64 | 75 | 80 | 82 | 79 |
| Indiana | 56 | 66 | 71 | 74 | 78 |
| Iowa | 37 | 43 | 47 | 47 | 48 |
| Kansas | 37 | 48 | 51 | 47 | 48 |
| Kentucky | 49 | 59 | 61 | 57 | 57 |
| Louisiana | 31 | 37 | 46 | 46 | 47 |
| Maine | 25 | 28 | 33 | 32 | 31 |
| Maryland | 42 | 49 | 56 | 61 | 57 |
| Massachusetts | 50 | 53 | 59 | 58 | 54 |

⁴⁰ State hereby refers to all 50 states, as well as U.S. territories and the District of Columbia, unless explicitly stated otherwise.



| State/Territory | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------------------|--------------|--------------|--------------|--------------|--------------|
| Michigan | 51 | 64 | 70 | 69 | 72 |
| Minnesota | 43 | 53 | 63 | 60 | 56 |
| Mississippi | 32 | 43 | 40 | 42 | 41 |
| Missouri | 51 | 64 | 70 | 69 | 61 |
| Montana | 34 | 42 | 44 | 46 | 47 |
| Nebraska | 29 | 37 | 42 | 42 | 43 |
| Nevada | 32 | 33 | 44 | 47 | 48 |
| New Hampshire | 31 | 36 | 34 | 37 | 37 |
| New Jersey | 59 | 70 | 68 | 69 | 69 |
| New Mexico | 29 | 38 | 38 | 40 | 37 |
| New York | 75 | 90 | 99 | 99 | 95 |
| North Carolina | 51 | 62 | 71 | 67 | 70 |
| North Dakota | 24 | 30 | 31 | 34 | 32 |
| Northern Mariana Islands | 2 | 2 | 1 | - | - |
| Ohio | 62 | 75 | 84 | 88 | 91 |
| Oklahoma | 36 | 38 | 53 | 51 | 48 |
| Oregon | 55 | 77 | 79 | 87 | 80 |
| Pennsylvania | 63 | 73 | 83 | 89 | 81 |
| Puerto Rico | 2 | 6 | 4 | 4 | 6 |
| Rhode Island | 21 | 24 | 26 | 27 | 27 |
| South Carolina | 43 | 51 | 68 | 66 | 69 |
| South Dakota | 12 | 19 | 20 | 21 | 21 |
| Tennessee | 50 | 65 | 76 | 79 | 80 |
| Texas | 76 | 93 | 100 | 104 | 98 |
| U.S. Virgin Islands | 2 | 5 | 3 | 4 | 3 |
| Utah | 30 | 42 | 43 | 45 | 51 |
| Vermont | 14 | 21 | 25 | 23 | 21 |
| Virginia | 55 | 62 | 67 | 72 | 71 |
| Wake Island | - | 2 | - | - | - |
| Washington | 74 | 83 | 100 | 100 | 95 |
| West Virginia | 18 | 25 | 28 | 31 | 31 |
| Wisconsin | 42 | 45 | 51 | 54 | 53 |
| Wyoming | 29 | 41 | 44 | 39 | 38 |
| Total | 2,196 | 2,668 | 2,955 | 2,996 | 2,929 |

Source: Form M-1, Part II, Question 17; Form M-1, Part I, Question C



Table D-2 shows the number of non-plan MEWAs in each state by year. While the number of non-plan MEWAs is increasing, the number of states they operate in is contracting.

Table D-2: Number of Non-Plan MEWAs That Operate in Each State by Year

| State/Territory | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------------------|------|------|------|------|------|
| Alabama | 4 | 4 | 5 | 5 | 5 |
| Alaska | 5 | 4 | 5 | 5 | 4 |
| American Samoa | - | - | - | - | - |
| Arizona | 8 | 8 | 7 | 8 | 7 |
| Arkansas | 5 | 5 | 5 | 5 | 5 |
| California | 7 | 8 | 9 | 9 | 13 |
| Colorado | 7 | 7 | 7 | 8 | 8 |
| Connecticut | 8 | 8 | 8 | 8 | 8 |
| Delaware | 5 | 4 | 3 | 4 | 5 |
| District of Columbia | 5 | 6 | 6 | 6 | 6 |
| Florida | 8 | 9 | 7 | 8 | 10 |
| Georgia | 9 | 8 | 8 | 8 | 8 |
| Guam | 3 | 2 | 2 | 2 | 2 |
| Hawaii | 7 | 6 | 7 | 7 | 8 |
| Idaho | 6 | 5 | 5 | 4 | 4 |
| Illinois | 6 | 6 | 6 | 6 | 6 |
| Indiana | 6 | 3 | 5 | 5 | 7 |
| Iowa | 6 | 6 | 4 | 4 | 3 |
| Kansas | 6 | 6 | 7 | 7 | 5 |
| Kentucky | 8 | 9 | 6 | 6 | 6 |
| Louisiana | 5 | 6 | 6 | 6 | 6 |
| Maine | 6 | 4 | 4 | 4 | 3 |
| Maryland | 5 | 6 | 6 | 5 | 5 |
| Massachusetts | 7 | 5 | 5 | 4 | 5 |
| Michigan | 7 | 8 | 8 | 8 | 7 |
| Minnesota | 7 | 4 | 5 | 4 | 5 |
| Mississippi | 4 | 4 | 5 | 5 | 4 |
| Missouri | 7 | 7 | 7 | 8 | 6 |
| Montana | 5 | 4 | 4 | 3 | 4 |
| Nebraska | 6 | 4 | 5 | 5 | 5 |
| Nevada | 6 | 5 | 4 | 4 | 4 |
| New Hampshire | 4 | 5 | 5 | 3 | 3 |
| New Jersey | 7 | 7 | 7 | 7 | 8 |
| New Mexico | 7 | 6 | 6 | 6 | 6 |
| New York | 6 | 7 | 6 | 7 | 10 |
| North Carolina | 6 | 7 | 7 | 7 | 8 |
| North Dakota | 3 | 3 | 3 | 2 | 2 |
| Northern Mariana Islands | - | - | - | 2 | 2 |
| Ohio | 9 | 7 | 9 | 9 | 10 |
| Oklahoma | 5 | 5 | 4 | 4 | 4 |
| Oregon | 6 | 5 | 7 | 7 | 7 |
| Pennsylvania | 8 | 7 | 8 | 7 | 9 |



| State/Territory | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------------|------------|------------|------------|------------|------------|
| Puerto Rico | 2 | 2 | 3 | 2 | 3 |
| Rhode Island | 3 | 2 | 2 | 1 | 2 |
| South Carolina | 7 | 8 | 6 | 6 | 7 |
| South Dakota | 3 | 3 | 2 | 2 | 2 |
| Tennessee | 5 | 5 | 5 | 7 | 3 |
| Texas | 8 | 9 | 9 | 8 | 8 |
| U.S. Virgin Islands | 2 | 1 | 1 | - | - |
| Utah | 4 | 3 | 4 | 3 | 4 |
| Vermont | 3 | 3 | 4 | 3 | 3 |
| Virginia | 9 | 7 | 5 | 6 | 7 |
| Wake Island | - | - | - | - | - |
| Washington | 6 | 6 | 7 | 6 | 7 |
| West Virginia | 5 | 4 | 4 | 4 | 4 |
| Wisconsin | 5 | 4 | 4 | 4 | 6 |
| Wyoming | 6 | 5 | 5 | 5 | 5 |
| Total | 313 | 292 | 294 | 289 | 304 |

Source: Form M-1, Part II, Question 17 and Part I, Question C

Table D-3 shows the number of ECEs in each location by year. ECEs show a year-over-year increase in the number of states in which they operate. While non-plan MEWAs have been contracting, ECEs have been expanding. This expansion seemingly does not come from a single state but rather is spread across many states.

Table D-3: Number of ECEs That Filed That Operate in Each State by Year

| State/Territory | 2012 | 2013 | 2014 | 2015 | 2016 |
|----------------------|------|------|------|------|------|
| Alabama | - | - | 1 | 1 | 2 |
| Alaska | - | 1 | 3 | 2 | 3 |
| American Samoa | - | - | - | - | - |
| Arizona | 1 | 1 | 1 | 1 | 3 |
| Arkansas | - | - | 1 | 1 | 2 |
| California | 5 | 5 | 8 | 7 | 7 |
| Colorado | - | 1 | 2 | 2 | 3 |
| Connecticut | 1 | - | 2 | 1 | 2 |
| Delaware | - | 1 | 3 | 2 | 3 |
| District of Columbia | - | - | 1 | 1 | 2 |
| Florida | - | - | 1 | 1 | 2 |
| Georgia | - | 1 | 3 | 2 | 3 |
| Guam | - | - | - | - | - |
| Hawaii | 1 | 1 | 1 | 1 | 2 |
| Idaho | 1 | - | 1 | 1 | 2 |
| Illinois | - | - | 2 | 1 | 2 |
| Indiana | - | - | 1 | 1 | 2 |
| Iowa | - | 1 | 2 | 2 | 3 |
| Kansas | - | - | 1 | 1 | 2 |
| Kentucky | - | - | 1 | 1 | 2 |
| Louisiana | - | 1 | 2 | 2 | 3 |
| Maine | - | 1 | 1 | 2 | 3 |



| State/Territory | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------------------|-----------|-----------|-----------|-----------|------------|
| Maryland | - | 1 | 2 | 2 | 3 |
| Massachusetts | - | - | 1 | 1 | 2 |
| Michigan | - | 1 | 1 | 1 | 2 |
| Minnesota | - | - | 2 | 1 | 2 |
| Mississippi | 1 | - | 1 | 1 | 2 |
| Missouri | - | - | 1 | 1 | 2 |
| Montana | 1 | - | 1 | 2 | 3 |
| Nebraska | 1 | 1 | 1 | 1 | 2 |
| Nevada | 1 | 2 | 3 | 2 | 3 |
| New Hampshire | - | 1 | 1 | 1 | 2 |
| New Jersey | 1 | - | 2 | 2 | 3 |
| New Mexico | - | - | - | - | 1 |
| New York | 1 | - | 2 | 1 | 2 |
| North Carolina | 1 | - | 1 | 1 | 2 |
| North Dakota | 1 | - | 1 | 1 | 2 |
| Northern Mariana Islands | - | - | - | - | - |
| Ohio | - | - | 2 | 1 | 2 |
| Oklahoma | 2 | 1 | 2 | 2 | 3 |
| Oregon | - | - | 1 | 1 | 2 |
| Pennsylvania | 1 | - | 2 | 1 | 2 |
| Puerto Rico | - | - | - | - | 1 |
| Rhode Island | - | - | - | - | 1 |
| South Carolina | - | - | 2 | 1 | 2 |
| South Dakota | 1 | - | - | - | 1 |
| Tennessee | 1 | 1 | 2 | 1 | 2 |
| Texas | 1 | 1 | 2 | 1 | 2 |
| U.S. Virgin Islands | - | - | - | - | - |
| Utah | - | 1 | 1 | 1 | 2 |
| Vermont | - | - | - | - | 1 |
| Virginia | - | - | 2 | 1 | 2 |
| Wake Island | - | - | - | - | - |
| Washington | - | 2 | 4 | 4 | 4 |
| West Virginia | - | - | 1 | 1 | 2 |
| Wisconsin | - | - | 3 | 1 | 2 |
| Wyoming | 1 | - | - | - | 1 |
| Total | 24 | 26 | 82 | 67 | 118 |

Source: Form M-1, Part II, Question 17 and Part I, Question C



| State/Territory | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------------------|------|------|------|------|------|
| Alabama | 1 | 5 | 7 | 8 | 7 |
| Alaska | 5 | 4 | 6 | 5 | 5 |
| American Samoa | - | - | - | - | - |
| Arizona | 4 | 6 | 4 | 5 | 7 |
| Arkansas | - | - | - | - | - |
| California | 37 | 61 | 58 | 64 | 58 |
| Colorado | 1 | 4 | 4 | 3 | 3 |
| Connecticut | 3 | 4 | 4 | 4 | 4 |
| Delaware | - | - | - | 1 | 1 |
| District of Columbia | 5 | 7 | 7 | 6 | 7 |
| Florida | 19 | 25 | 29 | 30 | 26 |
| Georgia | 14 | 12 | 15 | 15 | 12 |
| Guam | - | - | - | - | - |
| Hawaii | 1 | 1 | 1 | 3 | 2 |
| Idaho | 7 | 5 | 6 | 6 | 6 |
| Illinois | 12 | 12 | 13 | 14 | 12 |
| Indiana | 11 | 11 | 11 | 14 | 15 |
| Iowa | 4 | 6 | 6 | 5 | 5 |
| Kansas | 5 | 6 | 8 | 6 | 7 |
| Kentucky | 9 | 9 | 9 | 8 | 8 |
| Louisiana | 1 | 1 | 1 | 1 | 1 |
| Maine | 4 | 3 | 4 | 4 | 4 |
| Maryland | 6 | 7 | 6 | 9 | 8 |
| Massachusetts | 5 | 5 | 6 | 7 | 6 |
| Michigan | 6 | 8 | 10 | 11 | 13 |
| Minnesota | 8 | 8 | 9 | 8 | 8 |
| Mississippi | 2 | 2 | 2 | 2 | 2 |
| Missouri | 10 | 13 | 12 | 13 | 11 |
| Montana | 12 | 15 | 12 | 10 | 12 |
| Nebraska | 3 | 3 | 5 | 4 | 6 |
| Nevada | 4 | 2 | 3 | 3 | 3 |
| New Hampshire | 2 | 3 | 3 | 2 | 3 |
| New Jersey | 14 | 19 | 16 | 12 | 14 |
| New Mexico | 4 | 4 | 3 | 3 | 3 |
| New York | 28 | 34 | 38 | 40 | 44 |
| North Carolina | 4 | 8 | 7 | 5 | 9 |
| North Dakota | 7 | 8 | 7 | 7 | 8 |
| Northern Mariana Islands | - | - | - | - | - |
| Ohio | 12 | 16 | 17 | 18 | 20 |
| Oklahoma | 5 | 2 | 4 | 4 | 4 |
| Oregon | 21 | 30 | 33 | 39 | 35 |



| State/Territory | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------------|------------|------------|------------|------------|------------|
| Pennsylvania | 17 | 15 | 13 | 16 | 13 |
| Puerto Rico | 1 | 1 | 1 | 1 | 3 |
| Rhode Island | 1 | 2 | 2 | 2 | 2 |
| South Carolina | 6 | 5 | 4 | 5 | 6 |
| South Dakota | | 2 | 3 | 3 | 3 |
| Tennessee | 9 | 11 | 12 | 13 | 14 |
| Texas | 15 | 24 | 29 | 30 | 27 |
| U.S. Virgin Islands | - | - | - | - | - |
| Utah | 4 | 4 | 4 | 4 | 5 |
| Vermont | 1 | 1 | 3 | 3 | 2 |
| Virginia | 7 | 11 | 13 | 11 | 12 |
| Wake Island | - | - | - | - | - |
| Washington | 28 | 33 | 40 | 42 | 37 |
| West Virginia | - | - | - | 1 | 1 |
| Wisconsin | 6 | 5 | 5 | 7 | 5 |
| Wyoming | 7 | 7 | 7 | 5 | 7 |
| Total | 398 | 490 | 522 | 542 | 536 |

Source: Form M-1, Part II, Questions 17 and 18; Form M-1, Part I, Question C

Table D-5 shows the number of non-plan MEWAs that conduct more than 20% of their business in each state.

Table D-5: Number of Non-Plan MEWAs with 20% or More of Their Business in Each State by Year

| State/Territory | 2012 | 2013 | 2014 | 2015 | 2016 |
|----------------------|------|------|------|------|------|
| Alabama | - | - | - | - | - |
| Alaska | 1 | 1 | 1 | 1 | 1 |
| American Samoa | - | - | - | - | - |
| Arizona | 1 | 1 | - | 1 | - |
| Arkansas | 1 | 1 | - | - | - |
| California | 3 | 3 | 5 | 6 | 10 |
| Colorado | - | - | - | - | - |
| Connecticut | 1 | 1 | 1 | 1 | 1 |
| Delaware | - | - | - | - | - |
| District of Columbia | - | 2 | 2 | 2 | 2 |
| Florida | 1 | 1 | | 1 | 1 |
| Georgia | - | 1 | 1 | 1 | - |
| Guam | - | - | - | - | - |
| Hawaii | 2 | 2 | 2 | 2 | 2 |
| Idaho | - | - | - | - | - |
| Illinois | - | - | - | - | - |
| Indiana | - | - | 1 | 1 | 2 |
| Iowa | - | 1 | - | - | - |
| Kansas | - | - | - | - | - |
| Kentucky | - | 1 | - | - | - |
| Louisiana | - | - | - | - | - |
| Maine | - | - | - | - | - |
| Maryland | - | 2 | 1 | 1 | - |



| State/Territory | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------------------|-----------|-----------|-----------|-----------|-----------|
| Massachusetts | 1 | - | - | - | - |
| Michigan | 1 | 1 | 1 | 1 | 1 |
| Minnesota | - | - | - | - | 1 |
| Mississippi | - | - | - | - | - |
| Missouri | - | - | - | - | 1 |
| Montana | - | - | - | - | - |
| Nebraska | - | - | - | - | 1 |
| Nevada | - | - | - | - | - |
| New Hampshire | - | - | - | - | - |
| New Jersey | 1 | - | - | - | - |
| New Mexico | - | - | - | - | - |
| New York | 1 | 2 | 1 | 2 | 4 |
| North Carolina | - | 1 | - | - | - |
| North Dakota | - | - | - | - | - |
| Northern Mariana Islands | - | - | - | - | - |
| Ohio | 2 | 1 | 4 | 2 | 5 |
| Oklahoma | - | - | - | - | - |
| Oregon | - | - | 1 | 1 | - |
| Pennsylvania | 1 | 1 | 1 | 1 | 1 |
| Puerto Rico | - | - | - | - | - |
| Rhode Island | - | - | - | - | - |
| South Carolina | - | - | - | - | - |
| South Dakota | - | - | - | - | - |
| Tennessee | 1 | 1 | 1 | 2 | 1 |
| Texas | 2 | 1 | 5 | 2 | 1 |
| U.S. Virgin Islands | - | - | - | - | - |
| Utah | - | - | - | - | - |
| Vermont | - | - | - | - | - |
| Virginia | 2 | 2 | 1 | 1 | 2 |
| Wake Island | - | - | - | - | - |
| Washington | 2 | 2 | 2 | 2 | 2 |
| West Virginia | - | - | - | - | - |
| Wisconsin | - | - | 1 | 1 | 1 |
| Wyoming | - | - | - | - | - |
| Total | 24 | 29 | 32 | 32 | 40 |

Source: Form M-1, Part II, Questions 17 and 18; Form M-1, Part I, Question C



Table D-6 shows the number of ECEs that conduct more than 20% of their business in each state in each year.

Table D-6: Number of ECEs by Year That Filed with 20% or More of Their Business in Each State

| State | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------------------|------|------|------|------|------|
| Alabama | - | - | - | - | - |
| Alaska | - | - | - | - | - |
| American Samoa | - | - | - | - | - |
| Arizona | - | - | - | - | - |
| Arkansas | - | - | - | - | - |
| California | 4 | 5 | 7 | 6 | 6 |
| Colorado | - | - | - | - | - |
| Connecticut | - | - | - | - | - |
| Delaware | - | - | 2 | 1 | 1 |
| District of Columbia | - | - | - | - | - |
| Florida | - | - | - | - | - |
| Georgia | - | - | - | - | - |
| Guam | - | - | - | - | - |
| Hawaii | 1 | 1 | 1 | 1 | 1 |
| Idaho | - | - | - | - | - |
| Illinois | - | - | - | - | - |
| Indiana | - | - | - | - | - |
| Iowa | - | - | - | - | - |
| Kansas | - | - | - | - | - |
| Kentucky | - | - | - | - | - |
| Louisiana | - | - | - | - | - |
| Maine | - | 1 | 1 | 1 | 1 |
| Maryland | - | - | - | - | - |
| Massachusetts | - | - | - | - | - |
| Michigan | - | 1 | - | - | - |
| Minnesota | - | - | - | - | - |
| Mississippi | - | - | - | - | - |
| Missouri | - | - | - | - | - |
| Montana | - | - | - | - | - |
| Nebraska | 1 | 1 | - | - | - |
| Nevada | 1 | 1 | 1 | - | - |
| New Hampshire | - | - | - | - | - |
| New Jersey | - | - | - | 1 | 1 |
| New Mexico | - | - | - | - | - |
| New York | 1 | - | - | - | - |
| North Carolina | - | - | - | - | - |
| North Dakota | - | - | - | - | - |
| Northern Mariana Islands | - | - | - | - | - |
| Ohio | - | - | - | - | - |
| Oklahoma | 1 | 1 | 1 | 1 | 1 |
| Oregon | - | - | - | - | - |
| Pennsylvania | - | - | - | - | - |



| State | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------------|-----------|-----------|-----------|-----------|-----------|
| Puerto Rico | - | - | - | - | - |
| Rhode Island | - | - | - | - | - |
| South Carolina | - | - | - | - | - |
| South Dakota | - | - | - | - | - |
| Tennessee | - | - | - | - | - |
| Texas | 1 | 1 | 1 | - | - |
| U.S. Virgin Islands | - | - | - | - | - |
| Utah | - | - | - | - | - |
| Vermont | - | - | - | - | - |
| Virginia | - | - | 1 | - | - |
| Wake Island | - | - | - | - | - |
| Washington | - | 2 | 3 | 3 | 2 |
| West Virginia | - | - | - | - | - |
| Wisconsin | - | - | 1 | - | - |
| Wyoming | - | - | - | - | - |
| Total | 10 | 14 | 19 | 14 | 13 |

Source: Form M-1, Part II, Questions 17 and 18; Form M-1, Part I, Question C

Table D-7 shows the percentage of Form M-1 filers reporting that they have been licensed by each state. State regulations vary on requirements for licensing. If an entity is licensed in all states in which it operates, it is not required to file Form M-1. As a result, this table may underestimate the percentage of MEWAs and ECEs licensed in each state.

Table D-7: Percentage by Year of MEWAs/ECEs Licensed in Each State

| State | 2012 | 2013 | 2014 | 2015 | 2016 |
|----------------------|-------|------|------|-------|-------|
| Alabama | 5.0% | 4.0% | 4.8% | 7.8% | 7.6% |
| Alaska | 14.3% | 6.5% | 7.9% | 9.1% | 6.3% |
| American Samoa | - | - | - | - | - |
| Arizona | 8.5% | 8.9% | 8.8% | 12.5% | 10.3% |
| Arkansas | 6.7% | 7.5% | 4.3% | 4.4% | 4.5% |
| California | 5.2% | 5.8% | 6.1% | 7.4% | 5.6% |
| Colorado | 7.1% | 7.1% | 5.8% | 7.5% | 5.1% |
| Connecticut | 6.4% | 5.4% | 6.3% | 7.5% | 7.7% |
| Delaware | 6.9% | 3.1% | 2.7% | 2.8% | 2.5% |
| District of Columbia | 7.3% | 8.9% | 5.9% | 5.2% | 4.9% |
| Florida | 3.9% | 6.6% | 5.8% | 6.4% | 5.6% |
| Georgia | 3.8% | 4.8% | 5.1% | 6.4% | 5.3% |
| Guam | 33.3% | - | - | - | - |
| Hawaii | 4.0% | - | - | - | - |
| Idaho | 13.0% | 6.4% | 3.9% | 3.9% | 4.2% |
| Illinois | 7.1% | 7.4% | 8.0% | 6.7% | 4.6% |
| Indiana | 4.8% | 1.4% | 2.6% | 3.8% | 4.6% |
| Iowa | 9.3% | 6.0% | 3.8% | 3.8% | 1.9% |
| Kansas | 9.3% | 7.4% | 6.8% | 7.3% | 5.5% |
| Kentucky | 8.8% | 7.4% | 7.4% | 7.8% | 7.7% |
| Louisiana | 5.6% | 6.8% | 5.6% | 7.4% | 5.4% |
| Maine | 6.5% | 3.0% | - | - | - |



| State | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------------------|-------------|-------------|-------------|-------------|-------------|
| Maryland | 4.3% | 7.1% | 6.3% | 4.4% | 4.6% |
| Massachusetts | 5.3% | 5.2% | 4.6% | 4.8% | 3.3% |
| Michigan | 5.2% | 4.1% | 3.8% | 6.4% | 4.9% |
| Minnesota | 6.0% | 3.5% | 5.7% | 6.2% | 4.8% |
| Mississippi | 5.4% | 4.3% | 6.5% | 8.3% | 6.4% |
| Missouri | 6.9% | 5.6% | 5.1% | 7.7% | 4.3% |
| Montana | 15.0% | 10.9% | 8.2% | 7.8% | 7.4% |
| Nebraska | 11.1% | 7.1% | 8.3% | 10.4% | 10.0% |
| Nevada | 12.8% | 7.5% | 7.8% | 7.5% | 7.3% |
| New Hampshire | 5.7% | 4.8% | 5.0% | 7.3% | 4.8% |
| New Jersey | 4.5% | 3.9% | 5.2% | 6.4% | 6.3% |
| New Mexico | 13.9% | 9.1% | 9.1% | 8.7% | 4.5% |
| New York | 4.9% | 6.2% | 6.5% | 8.4% | 7.5% |
| North Carolina | 5.2% | 5.8% | 5.1% | 8.0% | 6.3% |
| North Dakota | 3.6% | - | - | - | - |
| Northern Mariana Islands | - | - | - | - | - |
| Ohio | 7.0% | 7.3% | 7.4% | 7.1% | 8.7% |
| Oklahoma | 7.0% | 6.8% | 5.1% | 5.3% | 3.6% |
| Oregon | 9.8% | 7.3% | 6.9% | 5.3% | 5.6% |
| Pennsylvania | 5.6% | 5.0% | 6.5% | 8.2% | 5.4% |
| Puerto Rico | - | 12.5% | 14.3% | 16.7% | 10.0% |
| Rhode Island | 8.3% | 3.8% | 3.6% | 3.6% | 3.3% |
| South Carolina | 6.0% | 5.1% | 5.3% | 5.5% | 5.1% |
| South Dakota | - | - | 4.5% | 4.3% | 4.2% |
| Tennessee | 5.4% | 4.2% | 3.6% | 4.6% | 4.7% |
| Texas | 4.7% | 5.8% | 4.5% | 7.1% | 4.6% |
| U.S. Virgin Islands | 50.0% | 16.7% | - | - | - |
| Utah | 5.9% | 4.3% | 6.3% | 6.1% | 5.3% |
| Vermont | - | - | - | - | - |
| Virginia | 6.3% | 7.2% | 6.8% | 6.3% | 5.0% |
| Wake Island | - | - | - | - | - |
| Washington | 6.3% | 6.6% | 4.5% | 4.5% | 3.8% |
| West Virginia | 13.0% | 3.4% | - | 2.8% | - |
| Wisconsin | 12.8% | 10.2% | 8.6% | 5.1% | 4.9% |
| Wyoming | 8.3% | 4.3% | 2.0% | 2.3% | - |
| Overall | 6.9% | 5.8% | 5.5% | 6.3% | 5.2% |

Source: Form M-1, Part II, Question 17



Table D-8 shows the percentage of MEWAs and ECEs that identified as fully-insured in each state by year.

Table D-8: Percentage by Year of MEWAs/ECEs That Identified as Fully-Insured in Each State

| State | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------------------|-------|--------|--------|--------|--------|
| Alabama | 75.0% | 76.0% | 79.0% | 76.6% | 77.3% |
| Alaska | 67.9% | 74.2% | 71.1% | 78.8% | 75.0% |
| American Samoa | - | 100.0% | - | - | - |
| Arizona | 79.7% | 78.5% | 76.3% | 75.0% | 75.6% |
| Arkansas | 73.3% | 80.0% | 78.7% | 80.0% | 77.3% |
| California | 83.6% | 84.1% | 84.4% | 85.1% | 86.1% |
| Colorado | 76.8% | 75.7% | 76.7% | 78.8% | 79.7% |
| Connecticut | 87.2% | 89.3% | 82.5% | 82.1% | 83.1% |
| Delaware | 79.3% | 81.3% | 73.0% | 80.6% | 77.5% |
| District of Columbia | 80.5% | 80.0% | 82.4% | 86.2% | 85.2% |
| Florida | 82.9% | 84.6% | 81.7% | 83.6% | 83.2% |
| Georgia | 75.6% | 76.2% | 80.8% | 80.9% | 81.9% |
| Guam | 33.3% | 75.0% | 50.0% | 100.0% | 100.0% |
| Hawaii | 84.0% | 88.0% | 85.2% | 89.7% | 85.2% |
| Idaho | 67.4% | 76.6% | 74.5% | 78.4% | 75.0% |
| Illinois | 77.1% | 77.8% | 77.3% | 80.9% | 82.8% |
| Indiana | 75.8% | 73.9% | 74.0% | 78.8% | 81.6% |
| Iowa | 74.4% | 78.0% | 75.5% | 75.5% | 74.1% |
| Kansas | 79.1% | 81.5% | 76.3% | 80.0% | 81.8% |
| Kentucky | 71.9% | 75.0% | 80.9% | 81.3% | 80.0% |
| Louisiana | 72.2% | 75.0% | 75.9% | 72.2% | 73.2% |
| Maine | 74.2% | 84.8% | 84.2% | 84.2% | 81.1% |
| Maryland | 85.1% | 80.4% | 79.7% | 88.2% | 84.6% |
| Massachusetts | 82.5% | 84.5% | 84.6% | 88.9% | 86.9% |
| Michigan | 77.6% | 78.1% | 79.7% | 80.8% | 81.5% |
| Minnesota | 70.0% | 80.7% | 75.7% | 76.9% | 74.6% |
| Mississippi | 67.6% | 72.3% | 69.6% | 68.8% | 68.1% |
| Missouri | 69.0% | 73.2% | 79.5% | 78.2% | 78.3% |
| Montana | 62.5% | 67.4% | 63.3% | 62.7% | 59.3% |
| Nebraska | 69.4% | 76.2% | 70.8% | 70.8% | 66.0% |
| Nevada | 76.9% | 77.5% | 76.5% | 81.1% | 80.0% |
| New Hampshire | 77.1% | 76.2% | 77.5% | 75.6% | 76.2% |
| New Jersey | 79.1% | 81.8% | 81.8% | 83.3% | 81.3% |
| New Mexico | 72.2% | 75.0% | 77.3% | 78.3% | 77.3% |
| New York | 85.4% | 84.5% | 82.2% | 82.2% | 84.1% |
| North Carolina | 74.1% | 71.0% | 75.9% | 76.0% | 77.5% |
| North Dakota | 67.9% | 69.7% | 71.4% | 62.2% | 58.3% |
| Northern Mariana Islands | 50.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Ohio | 78.9% | 76.8% | 75.8% | 79.6% | 76.7% |
| Oklahoma | 58.1% | 72.7% | 72.9% | 70.2% | 69.1% |
| Oregon | 83.6% | 82.9% | 82.8% | 85.3% | 86.5% |
| Pennsylvania | 76.4% | 77.5% | 79.6% | 81.4% | 82.6% |



| State | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------------|-------|--------|-------|-------|--------|
| Puerto Rico | 75.0% | 75.0% | 71.4% | 83.3% | 60.0% |
| South Carolina | 82.0% | 78.0% | 78.9% | 80.8% | 82.1% |
| Tennessee | 76.8% | 78.9% | 80.7% | 80.5% | 81.2% |
| U.S. Virgin Islands | 25.0% | 66.7% | 75.0% | 75.0% | 100.0% |
| Vermont | 94.1% | 91.7% | 82.8% | 80.8% | 76.0% |
| Wake Island | - | 100.0% | - | - | - |
| West Virginia | 69.6% | 82.8% | 81.8% | 80.6% | 81.1% |
| Wyoming | 50.0% | 58.7% | 57.1% | 61.4% | 59.1% |

Source: Form M-1, Part II, Question 17

Note: approximately 5% of state entries did not indicate funding status.

Table D-9 shows the percentage of filers who indicated they were self-insured by state in each year.

Table D-9: Percentage by Year of MEWAs/ECEs That Identified as Not Fully-Insured in Each State

| State | 2012 | 2013 | 2014 | 2015 | 2016 |
|----------------------|-------|-------|-------|-------|-------|
| Alabama | 20.0% | 20.0% | 16.1% | 17.2% | 15.2% |
| Alaska | 14.3% | 16.1% | 23.7% | 18.2% | 21.9% |
| American Samoa | - | - | - | - | - |
| Arizona | 10.2% | 13.9% | 17.5% | 16.3% | 16.7% |
| Arkansas | 20.0% | 12.5% | 17.0% | 15.6% | 18.2% |
| California | 12.1% | 12.3% | 12.2% | 10.8% | 11.1% |
| Colorado | 14.3% | 15.7% | 18.6% | 15.0% | 15.2% |
| Connecticut | 6.4% | 5.4% | 12.7% | 10.4% | 10.8% |
| Delaware | 13.8% | 15.6% | 24.3% | 16.7% | 20.0% |
| District of Columbia | 12.2% | 11.1% | 11.8% | 10.3% | 11.5% |
| Florida | 13.2% | 9.9% | 13.5% | 10.9% | 12.1% |
| Georgia | 19.2% | 17.9% | 15.2% | 13.8% | 13.8% |
| Guam | 33.3% | 25.0% | 50.0% | - | - |
| Hawaii | 12.0% | 12.0% | 14.8% | 10.3% | 14.8% |
| Idaho | 21.7% | 19.1% | 23.5% | 19.6% | 22.9% |
| Illinois | 15.7% | 14.8% | 17.0% | 14.6% | 13.8% |
| Indiana | 17.7% | 23.2% | 23.4% | 18.8% | 14.9% |
| Iowa | 16.3% | 16.0% | 22.6% | 22.6% | 24.1% |
| Kansas | 14.0% | 13.0% | 20.3% | 16.4% | 14.5% |
| Kentucky | 21.1% | 19.1% | 13.2% | 12.5% | 13.8% |
| Louisiana | 22.2% | 18.2% | 18.5% | 20.4% | 21.4% |
| Maine | 19.4% | 12.1% | 15.8% | 15.8% | 18.9% |
| Maryland | 8.5% | 10.7% | 14.1% | 8.8% | 12.3% |
| Massachusetts | 10.5% | 8.6% | 10.8% | 6.3% | 9.8% |



| State | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------------------|--------------|--------------|--------------|--------------|--------------|
| Michigan | 15.5% | 16.4% | 16.5% | 14.1% | 14.8% |
| Minnesota | 22.0% | 14.0% | 20.0% | 16.9% | 20.6% |
| Mississippi | 27.0% | 23.4% | 23.9% | 22.9% | 25.5% |
| Missouri | 22.4% | 19.7% | 16.7% | 15.4% | 17.4% |
| Montana | 30.0% | 28.3% | 32.7% | 33.3% | 37.0% |
| Nebraska | 19.4% | 16.7% | 22.9% | 20.8% | 24.0% |
| Nevada | 10.3% | 15.0% | 17.6% | 13.2% | 14.5% |
| New Hampshire | 17.1% | 19.0% | 17.5% | 17.1% | 19.0% |
| New Jersey | 14.9% | 13.0% | 14.3% | 10.3% | 13.8% |
| New Mexico | 13.9% | 15.9% | 18.2% | 15.2% | 18.2% |
| New York | 8.5% | 10.3% | 13.1% | 11.2% | 12.1% |
| North Carolina | 19.0% | 21.7% | 19.0% | 16.0% | 16.3% |
| North Dakota | 28.6% | 30.3% | 28.6% | 37.8% | 41.7% |
| Northern Mariana Islands | 50.0% | - | - | - | - |
| Ohio | 14.1% | 17.1% | 21.1% | 16.3% | 18.4% |
| Oklahoma | 34.9% | 20.5% | 23.7% | 26.3% | 27.3% |
| Oregon | 8.2% | 9.8% | 11.5% | 10.5% | 9.0% |
| Pennsylvania | 16.7% | 16.3% | 16.1% | 13.4% | 14.1% |
| Puerto Rico | 25.0% | 12.5% | 14.3% | - | 30.0% |
| Rhode Island | 12.5% | 7.7% | 14.3% | 7.1% | 10.0% |
| South Carolina | 12.0% | 16.9% | 17.1% | 13.7% | 12.8% |
| South Dakota | 12.5% | 13.6% | 18.2% | 17.4% | 20.8% |
| Tennessee | 16.1% | 15.5% | 16.9% | 14.9% | 15.3% |
| Texas | 20.0% | 20.4% | 19.8% | 15.9% | 15.7% |
| U.S. Virgin Islands | 25.0% | 16.7% | 25.0% | 25.0% | - |
| Utah | 17.6% | 15.2% | 20.8% | 16.3% | 15.8% |
| Vermont | 5.9% | 8.3% | 17.2% | 19.2% | 24.0% |
| Virginia | 18.8% | 13.0% | 14.9% | 12.7% | 13.8% |
| Wake Island | - | - | - | - | - |
| Washington | 10.0% | 7.7% | 9.9% | 7.3% | 9.4% |
| West Virginia | 17.4% | 13.8% | 18.2% | 16.7% | 18.9% |
| Wisconsin | 10.6% | 16.3% | 20.7% | 11.9% | 13.1% |
| Wyoming | 41.7% | 37.0% | 42.9% | 38.6% | 40.9% |
| Overall | 16.3% | 15.6% | 17.7% | 15.2% | 16.4% |

Source: Form M-1, Part II, Question 17

Note: approximately 5% of state entries did not indicate funding status.



Table D-10 shows the percentage of self-insured MEWAs and ECEs that purchased stop-loss coverage. Fully-insured MEWAs and ECEs do not need to purchase stop-loss insurance, so we restricted this table to only those filers that indicated they were not fully-insured in that state.

Table D-10: Percentage of Self-Insured Filers That Indicated Stop-Loss Coverage Was Purchased in Each State by Year

| State | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------------------|--------|-------|-------|-------|-------|
| Alabama | 87.5% | 90.0% | 70.0% | 72.7% | 70.0% |
| Alaska | 75.0% | 80.0% | 33.3% | 50.0% | 42.9% |
| American Samoa | - | - | - | - | - |
| Arizona | 83.3% | 90.9% | 78.6% | 92.3% | 76.9% |
| Arkansas | 83.3% | 80.0% | 62.5% | 71.4% | 62.5% |
| California | 85.7% | 76.5% | 50.0% | 50.0% | 50.0% |
| Colorado | 75.0% | 63.6% | 56.3% | 50.0% | 58.3% |
| Connecticut | 66.7% | 66.7% | 62.5% | 71.4% | 57.1% |
| Delaware | 50.0% | 20.0% | 22.2% | 33.3% | 37.5% |
| District of Columbia | 80.0% | 80.0% | 50.0% | 66.7% | 57.1% |
| Florida | 80.0% | 88.9% | 64.3% | 75.0% | 53.8% |
| Georgia | 80.0% | 73.3% | 60.0% | 61.5% | 61.5% |
| Guam | - | - | - | - | - |
| Hawaii | 66.7% | 66.7% | 50.0% | 66.7% | 50.0% |
| Idaho | 80.0% | 77.8% | 66.7% | 80.0% | 72.7% |
| Illinois | 72.7% | 75.0% | 60.0% | 61.5% | 58.3% |
| Indiana | 72.7% | 75.0% | 66.7% | 73.3% | 76.9% |
| Iowa | 85.7% | 75.0% | 58.3% | 58.3% | 61.5% |
| Kansas | 83.3% | 85.7% | 66.7% | 66.7% | 62.5% |
| Kentucky | 91.7% | 92.3% | 66.7% | 75.0% | 66.7% |
| Louisiana | 87.5% | 75.0% | 60.0% | 72.7% | 66.7% |
| Maine | 66.7% | 50.0% | 50.0% | 50.0% | 42.9% |
| Maryland | 75.0% | 66.7% | 44.4% | 50.0% | 50.0% |
| Massachusetts | 66.7% | 60.0% | 28.6% | 50.0% | 33.3% |
| Michigan | 66.7% | 75.0% | 53.8% | 72.7% | 75.0% |
| Minnesota | 90.9% | 87.5% | 64.3% | 81.8% | 69.2% |
| Mississippi | 90.0% | 90.9% | 72.7% | 81.8% | 75.0% |
| Missouri | 84.6% | 85.7% | 53.8% | 66.7% | 66.7% |
| Montana | 91.7% | 92.3% | 81.3% | 82.4% | 80.0% |
| Nebraska | 85.7% | 85.7% | 63.6% | 70.0% | 75.0% |
| Nevada | 50.0% | 50.0% | 55.6% | 42.9% | 37.5% |
| New Hampshire | 66.7% | 62.5% | 42.9% | 57.1% | 50.0% |
| New Jersey | 80.0% | 80.0% | 63.6% | 62.5% | 54.5% |
| New Mexico | 60.0% | 71.4% | 50.0% | 57.1% | 62.5% |
| New York | 71.4% | 60.0% | 57.1% | 58.3% | 46.2% |
| North Carolina | 90.9% | 86.7% | 73.3% | 83.3% | 76.9% |
| North Dakota | 75.0% | 80.0% | 70.0% | 78.6% | 73.3% |
| Northern Mariana Islands | 100.0% | - | - | - | - |
| Ohio | 70.0% | 78.6% | 70.0% | 81.3% | 84.2% |
| Oklahoma | 73.3% | 66.7% | 57.1% | 73.3% | 73.3% |



| State | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------------|--------------|--------------|--------------|--------------|--------------|
| Oregon | 80.0% | 62.5% | 60.0% | 70.0% | 62.5% |
| Pennsylvania | 58.3% | 76.9% | 66.7% | 76.9% | 76.9% |
| Puerto Rico | - | - | - | - | - |
| Rhode Island | 33.3% | - | 25.0% | 50.0% | 33.3% |
| South Carolina | 83.3% | 80.0% | 69.2% | 70.0% | 70.0% |
| South Dakota | 50.0% | 66.7% | 50.0% | 75.0% | 60.0% |
| Tennessee | 88.9% | 90.9% | 71.4% | 76.9% | 76.9% |
| Texas | 82.4% | 85.7% | 63.6% | 72.2% | 64.7% |
| U.S. Virgin Islands | - | - | - | - | - |
| Utah | 83.3% | 71.4% | 60.0% | 75.0% | 66.7% |
| Vermont | - | 50.0% | 60.0% | 80.0% | 66.7% |
| Virginia | 75.0% | 77.8% | 54.5% | 70.0% | 63.6% |
| Wake Island | - | - | - | - | - |
| Washington | 62.5% | 71.4% | 36.4% | 50.0% | 50.0% |
| West Virginia | 50.0% | 50.0% | 50.0% | 66.7% | 57.1% |
| Wisconsin | 80.0% | 87.5% | 75.0% | 71.4% | 62.5% |
| Wyoming | 93.3% | 94.1% | 85.7% | 88.2% | 88.9% |
| Overall | 77.5% | 77.0% | 60.9% | 69.5% | 64.7% |

Source: Form M-1, Part II, Question 17