Article 50A.

Association Health Plans and Multiple Employer Welfare Arrangements.

The following definitions apply in this Article:

1. Employer member. – A person or entity acting directly as the employer of at least one employee, or a working owner, either of whom is a participant covered under a Path 2 MEWA.


3. Multiple employer welfare arrangement or MEWA. – The term as defined in Section 3 of the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1002(40(A)), as amended, that meets at least one of the following criteria:
   a. Has at least one employer member of the MEWA that is either domiciled in this State or has its principal headquarters or principal administrative office in this State.
   b. Solicits an employer that is domiciled in this State or that has its principal headquarters or principal administrative office in this State.

4. Path 2 MEWA. – A MEWA that is established or maintained by an association of employers classified by the United States Department of Labor as a bona fide group or association under the requirements of 29 C.F.R. § 2510.3-5 and is formed by a sponsoring association that meets the following requirements:
   a. Has a constitution or bylaws that provides for all of the following:
      1. Regular meetings.
      2. Collection of dues from members.
      3. Operation by a board of trustees that includes an owner, partner, officer, director, or employee of at least one of the employer members of the association.
   b. Has at least one substantial business purpose unrelated to the offering and providing of health insurance or other employee benefits to its employer members and their employees.
   c. Has a commonality of interest shared among the employers comprising the Path 2 MEWA based on either of the following:
      1. Establishment by employers in the same trade, industry, line of business, or profession.
      2. Being a statewide organization where each employer that is a member of the organization has a principal place of business that does not exceed the boundaries of the State or a metropolitan area that is at least partially within the State, even if that metropolitan area includes portions of other states.

5. Sponsoring association. – An association of two or more employer members that offers an employee welfare benefit plan as a Path 2 MEWA. For purposes of this Chapter, a sponsoring association that meets the requirements of this Article shall be deemed to be a large employer. (2019-202, s. 1.)