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Committee June 10, 2026

Dear Chairman Hertel & Members of the Senate Health Policy Committee:

The Michigan Association of Health Plans (MAHP), which represents nine health insurance providers, would like to thank you and your committee for taking up the important legislative proposals that will help make health insurance more affordable in Michigan.

Senate Bill 1011 is another piece in the important puzzle that can help connect small businesses and self-employed individuals with more affordable health insurance options. Many of our nine-member health plans have experience in Michigan and throughout the nation with Association Health Plans (AHPs) and Multiple Employer Welfare Arrangements (MEWAs), which are regulated mechanisms that allow small businesses to pool together to gain access to large group health insurance (fully-insured and self-insured) for members of their respective associations.

MAHP has a unique and diverse membership of health insurance providers that operate in various states, where different rules and regulations apply to AHPs and/or MEWAs. As such, we are currently reviewing, studying, and comparing the changes proposed in Senate Bill 1011 with best practices in states across the country that have more active engagement with these pooling options for small businesses.

As we study other states, we applaud your efforts to explore additional tools that help Michigan business leaders gain access to a broader set of affordable health insurance options. In the meantime, we would encourage the adoption of an amendment (attached) that is currently a standard best practice for similar options in the public sector, requiring an MEWA created under Senate Bill 1011 to solicit bids from insurance providers every 3 years.

Thank you again for soliciting our input on this important public policy. MAHP and our members look forward to continuing to be a resource for your committee in ways to make health insurance affordable.

Sincerely,

Christine Shearer
Deputy Director of Legislation and Advocacy
Michigan Association of Health Plans

Suggested Amendments to Senate Bill 1011

Amendment #1 – Encourage Choice and Competition

Background: Under current law (Public Act 106 of 2007, specifically [MCL 124.75](#)), a public employer or pooled group plan serving public employees, like municipal and school employees, must solicit 4 or more bids from different insurance carriers every three years when selecting a health insurance carrier to provide health insurance. This best practice ensures that all affordable and competitive options from health insurance providers are explored. Because Senate Bill 1011 requires an appropriation from the State of Michigan to provide publicly financed reinsurance assets to make health insurance affordable for small businesses, the same prudent due diligence should be applied when a newly formed MEWA established under Senate Bill 1011 selects a health insurance provider for its pooled customers. The following amendment is identical to the language in the Public Employees Health Benefit Act, which applies to pooled public employers.

Suggested Amendment: Amend Senate Bill 1011, page 6, line 8, by inserting the following:

“(6) A pool procuring coverage shall solicit from different carriers 4 or more bids when establishing a medical benefit plan, including at least 1 bid from a voluntary employees' beneficiary association described in section 501(c)(9) of the Internal Revenue Code, 26 USC 501(c)(9). A pool procuring coverage shall solicit from different carriers 4 or more bids every 3 years when renewing or continuing a medical benefit plan, including at least 1 bid from a voluntary employees' beneficiary association described in section 501(c)(9) of the Internal Revenue Code, 26 USC 501(c)(9). A pool that provides for administration of a medical benefit plan using an authorized third-party administrator, an insurer, a nonprofit health care corporation, or other entity authorized to provide services in connection with a noninsured medical benefit plan shall solicit from different carriers 4 or more bids for those administrative services when establishing a medical benefit plan. A pool that provides for administration of a medical benefit plan using an authorized third-party administrator, an insurer, a nonprofit health care corporation, or other entity authorized to provide services in connection with a noninsured medical benefit plan shall solicit from different carriers 4 or more bids for those administrative services every 3 years when renewing or continuing a medical benefit plan.