

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
SECOND SESSION  
**LEGISLATIVE BILL 993**

Introduced by Christensen, 44.

Read first time January 21, 2014

Committee: Banking, Commerce and Insurance

A BILL

- 1 FOR AN ACT relating to insurance; to provide that health care sharing
- 2 ministries are not engaged in the business of insurance.
- 3 Be it enacted by the people of the State of Nebraska,

1           Section 1. (1) A health care sharing ministry shall not  
2 be considered to be engaging in the business of insurance for  
3 purposes of the insurance laws of this state.

4           (2) For purposes of this section, health care sharing  
5 ministry means a faith-based, nonprofit organization that is tax-  
6 exempt under the Internal Revenue Code which:

7           (a) Limits its participants to those who are of a similar  
8 faith;

9           (b) Acts as a facilitator among participants who have  
10 financial or medical needs and matches those participants with other  
11 participants with the present ability to assist those with financial  
12 or medical needs in accordance with criteria established by the  
13 health care sharing ministry;

14           (c) Provides for the financial or medical needs of a  
15 participant through contributions from one participant to another;

16           (d) Provides amounts that participants may contribute  
17 with no assumption of risk or promise to pay among the participants  
18 and no assumption of risk or promise to pay by the health care  
19 sharing ministry to the participants;

20           (e) Provides a written monthly statement to all  
21 participants that lists the total dollar amount of qualified needs  
22 submitted to the health care sharing ministry, as well as the amount  
23 actually published or assigned to participants for their  
24 contribution;

25           (f) Provides a written disclaimer on or accompanying all

1 applications and guideline materials distributed by or on behalf of  
2 the organization that reads, in substance:

3 IMPORTANT NOTICE. This organization is not an insurance  
4 company, and its product should never be considered insurance. If you  
5 join this organization instead of purchasing health insurance, you  
6 will be considered uninsured. By the terms of this agreement, whether  
7 anyone chooses to assist you with your medical bills as a participant  
8 of this organization will be totally voluntary, and neither the  
9 organization nor any participant can be compelled by law to  
10 contribute toward your medical bills. Regardless of whether you  
11 receive payment for medical expenses or whether this organization  
12 continues to operate, you are always personally responsible for the  
13 payment of your own medical bills. This organization is not regulated  
14 by the Nebraska Department of Insurance. You should review this  
15 organization's guidelines carefully to be sure you understand any  
16 limitations that may affect your personal medical and financial  
17 needs;

18 (g) Has participants which retain participation even  
19 after they develop a medical condition; and

20 (h) Conducts an annual audit which is performed by an  
21 independent certified public accounting firm in accordance with  
22 generally accepted accounting principles and which is made available  
23 to the public upon request.