CHAPTER 165 SB 245 – FINAL VERSION

 $\begin{array}{ccc} 03/21/12 & 1117s \\ 9May 2012 \dots 1941h \end{array}$

2012 SESSION

12-2918 01/04

SENATE BILL 245

AN ACT relative to health care sharing organizations.

SPONSORS: Sen. Groen, Dist 6; Sen. White, Dist 9; Sen. Luther, Dist 12; Sen. Sanborn, Dist 7;

Sen. Bragdon, Dist 11; Sen. De Blois, Dist 18; Rep. Groen, Straf 1

COMMITTEE: Commerce

ANALYSIS

This bill authorizes the establishment of health care sharing organizations which shall be 501(c)(3) organizations under the Internal Revenue Code. Under this bill, participants of health care sharing organizations may financially assist fellow participants with certain medical expenses.

Explanation: Matter added to current law appears in bold italics.

Matter removed from current law appears [in brackets and struckthrough.]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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12-2918 01/04

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twelve

AN ACT relative to health care sharing organizations.

Be it Enacted by the Senate and House of Representatives in General Court convened:

165:1 New	v Chapter; Health	Care Sharing	Organizations.	Amend RSA	by inserting	after c	hapter
126-U the follo	owing new chapter	r:					

CHAPTER 126-V

HEALTH CARE SHARING ORGANIZATIONS

126-V:1 Health Care Sharing Organizations.

- I. The provisions of Title XXXVII relating to health insurance shall not apply to health care sharing organizations as established under this chapter. A health care sharing organization which, through its publication to participants, solicits funds for the payment of medical expenses of other participants, shall not be considered to be engaging in the business of insurance for purposes of any provision of Title XXXVII and shall not be subject to the jurisdiction of the insurance commissioner if the requirements of this section are met.
- II. In this section, a "health care sharing organization" means a faith-based nonprofit organization which, or a predecessor of which, has been in existence continuously and has facilitated the sharing of medical expenses of participants without interruption since December 31, 1999, that is tax-exempt pursuant to section 501(c)(3) of the Internal Revenue Code, which limits its participants to individuals who share a common set of ethical or religious beliefs, and whose participants share medical expenses in accordance with those beliefs.

III. A health care sharing organization:

- (a) Acts as a facilitator among participants who have financial and medical needs and matches those participants with other participants with the present ability to assist those with financial and medical needs in accordance with criteria established by the health care sharing organization based on the shared ethical or religious beliefs of its participants.
- (b) Provides for the financial and medical needs of participants through monetary contributions from one participant to another.
- (c) Allows its participants to continue participation even after they develop a medical condition.

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- 1 (d) Provides amounts that participants may contribute without any assumption of risk 2 or promise to pay among the participants and requires no assumption of risk or promise to pay by 3 the health care sharing organization to the participant. 4 (e) Provides a written monthly statement to all participants that lists the total dollar 5 amount of qualified needs submitted to the health care sharing organization, as well as the amount 6 actually published or assigned to participants for their contribution. 7 (f) Conducts an annual audit that is performed by an independent certified public 8 accountant in accordance with generally accepted accounting principles and that is made available to 9 the public upon request. 10 (g) Provides the following written disclaimer prominently on or accompanying all 11 applications and guideline materials distributed by or on behalf of the organization that reads, in 12 substance: "IMPORTANT NOTICE" 13 14 This organization is not an insurance company, and its product should never be considered If you join this organization instead of purchasing health insurance, you will be 15 16 considered uninsured. By the terms of this agreement, whether anyone chooses to assist you with 17 your medical bills as a participant of this organization will be totally voluntary, and neither the 18 organization nor any participant can be compelled by law to contribute toward your medical bills. 19 Regardless of whether you receive payment for medical expenses or whether this organization 20 continues to operate, you are always personally responsible for the payment of your own medical 21 bills. This organization is not regulated by the New Hampshire Insurance Department. You should 22 review this organization's guidelines carefully to be sure you understand any limitations that may
 - 165:2 Effective Date. This act shall take effect 60 days after its passage.

affect your personal medical and financial needs."

25 Approved: June 7, 2012

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26 Effective Date: August 6, 2012