

HB 2764 -- HEALTH CARE SHARING MINISTRIES

SPONSOR: Mann

Current law mandates certain requirements for health care sharing ministries, which are faith-based tax-exempt nonprofit organizations in which health care costs are shared among members through gifts directly from one member to another.

This bill establishes reporting requirements for such ministries to the Department of Commerce and Insurance regarding the following information:

- (1) The total number of individuals and households in the state that participated as members or subscribers in the preceding calendar year;
- (2) The total number of employer groups in the state that participated as members or subscribers in the preceding calendar year, including the total number of individual participants for each participating employer group;
- (3) If applicable, the total number of members or subscribers nationally;
- (4) Any contracts entered into by the health care sharing ministry with providers in this state offering services to members or subscribers;
- (5) The total amount of fees, dues, or other payments collected in the preceding calendar year, including the percentage of which are retained for administrative expenses;
- (6) The total dollar amount of requests for reimbursement of health care costs or services submitted in this state in the preceding calendar year;
- (7) The total dollar amount of the requests that qualified for reimbursement in the preceding calendar year;
- (8) The total amount of payments made to providers in this state in the preceding calendar year;
- (9) The total amount of health care services provided to or received by members or subscribers in the preceding calendar year;
- (10) The total number of requests for reimbursement in the preceding calendar year that were denied or appealed;

(11) The total amount of health care expenses submitted by members or by providers in the preceding calendar year that qualify for reimbursement under criteria established by the health care sharing ministry but that have not been reimbursed at the end of the calendar year, excluding required costs to be paid by members;

(12) The estimated number of members or subscribers in this state in the next calendar year;

(13) The specific counties in which the health care ministry offered or intends to offer membership or subscriptions;

(14) A list of other states in which the ministry offers membership or subscriptions;

(15) A list of certain third parties that are associated with or that assisted the ministry in offering or enrolling members or subscribers in the preceding calendar year, including copies of training materials, and a detail accounting of commissions, fees, or other remunerations paid to a third party for marketing, promoting, operating, managing, or administering memberships or subscriptions;

(16) The total number of insurance producers that are associated with or that assisted the ministry in offering or enrolling members or subscribers in the preceding calendar year, as well as the total number of participants enrolled as members or subscribers through an insurance producer marketing, promoting, or enrolling residents of the state in memberships or subscriptions;

(17) Copies of any consumer-facing and marketing materials used for promotion and that include certain information;

(18) The name, mailing address, email address, and phone number of an individual who serves as a contact person for the ministry in this state;

(19) A list of any parent companies, subsidiaries, and other names that the ministry has operated under at any time within the preceding five calendar years; and

(20) An organizational chart for the ministry, as well as a list of officers and directors.

The bill further requires health care sharing ministries to submit to the Department a certification that such information is accurate and satisfies the provisions of the reporting requirements.

The bill provides that failure of a health care sharing ministry to submit the required information means the submission is deemed incomplete, and the Department Director has 45 days to determine the completion of the submission.

The bill additionally establishes a process for the Director to follow if it is found that a health care sharing ministry has failed to comply with the requirements of this bill, and requires the Director to prepare a written report summarizing information collected by the submissions of health care sharing ministries as well as publish certain information on the Department website.

This bill establishes a procedure for the Director to issue an ex parte emergency cease and desist order if the Director believes that:

- (1) An unauthorized person is engaging in the business of insurance in violation of law or department rule; or
- (2) A health care sharing ministry is failing to remedy, or has not remedied, any deficiency in its submission.