AN ACT

Exempting a health care sharing ministry from regulation as an insurer.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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AN ACT

Exempting a health care sharing ministry from regulation as an insurer.

*Section 1.* AS 21.03.021 is amended by adding a new subsection to read:

(k) This title does not apply to a health care sharing ministry. In this subsection, "health care sharing ministry" means an organization that

(1) is described in 26 U.S.C. 501(c)(3) and exempt from taxation under 26 U.S.C. 501(a);

(2) is faith-based and whose participants share

(A) a common set of ethical or religious beliefs; and

(B) medical expenses among participants in accordance with the common set of ethical or religious beliefs;

(3) coordinates financial sharing of medical expenses among willing participants in the organization according to criteria established by the organization;

(4) provides assistance for the financial or medical needs of a participant through contributions from one participant to another;
(5) provides the amounts of assistance that participants may contribute without an assumption of risk or promise to pay by the participants or the organization;

(6) provides to all participants written monthly statements that list the total dollar amount of qualified needs submitted to the organization by participants for contribution;

(7) provides for an annual audit by an independent certified public accountant in accordance with generally accepted accounting principles and makes the annual audit available to the public upon request; and

(8) provides a written disclaimer on or accompanying all applications and guideline materials distributed by or on behalf of the organization that reads in substance: "Notice: The organization coordinating the sharing of medical expenses is not an insurance company, and neither its guidelines nor plan of operation is an insurance policy. Whether anyone chooses to assist you with your medical bills will be totally voluntary because no other participant will be compelled by law to contribute toward your medical bills. Participation in the organization or a subscription to any of its documents should never be considered to be insurance. Regardless of whether you receive a payment for medical expenses or whether this organization continues to operate, you are always personally responsible for the payment of your own medical bills."