

**SENATE BILL NO. 18**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY SENATOR COGHILL

Introduced: 1/21/15

Referred: Health and Social Services, Labor and Commerce

**A BILL**

**FOR AN ACT ENTITLED**

1    **"An Act exempting a health care sharing ministry from regulation as an insurer."**

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

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

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

6                       (1) is described in 26 U.S.C. 501(c)(3) and exempt from taxation under  
7       26 U.S.C. 501(a);

8                       (2) is faith-based and whose participants share

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

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

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

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

1 (5) provides the amounts of assistance that participants may contribute  
2 without an assumption of risk or promise to pay by the participants or the  
3 organization;

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

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

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