

Introduced by

Senators Weston, Cleary, Paulson

Representatives K. Anderson, S. Olson, Fisher

1 A BILL for an Act to create and enact a new section to chapter 15-10 and a new section to
2 chapter 26.1-02 of the North Dakota Century Code, relating to the acceptance of health care
3 sharing ministries by an institution of higher education and health care sharing ministries'
4 exemptions from insurance laws and regulations.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1.** A new section to chapter 15-10 of the North Dakota Century Code is created
7 and enacted as follows:

8 **Institutions of higher education - Acceptance of health care sharing ministries as**
9 **health care coverage.**

10 A student's active participation in a health care sharing ministry, as that term is defined
11 under section 2 of this Act, satisfies any requirement that a student enrolled in an institution of
12 higher education maintain health care coverage.

13 **SECTION 2.** A new section to chapter 26.1-02 of the North Dakota Century Code is created
14 and enacted as follows:

15 **Health care sharing ministry.**

- 16 1. A health care sharing ministry may not be considered to be engaging in the business
17 of insurance and is exempt from regulations applicable to insurance entities.
18 2. As used in this section, "health care sharing ministry" means a nonprofit organization
19 that:
20 a. Is recognized as tax exempt under section 501(c)(3) of the United States Internal
21 Revenue Code [26 U.S.C. 501(c)(3)];
22 b. Limits its participants to members who share a common set of ethical or religious
23 beliefs;

- 1 c. Acts as a facilitator among participants who have financial or medical needs to
2 assist participants with financial or medical needs according to criteria
3 established by the health care sharing ministry;
- 4 d. With no assumption of risk or promise to pay, provides for the financial or medical
5 needs of a participant through contributions from other participants, which were
6 contributed by participants with no assumption of risk or promise to pay;
- 7 e. Monthly provides to participants the total dollar amount of qualified needs shared
8 during the previous month according to criteria established by the health care
9 sharing ministry;
- 10 f. Annually conducts an audit performed by an independent certified public
11 accounting firm according to generally accepted accounting principles and
12 publishes the audit on the health care sharing ministry's website or provides a
13 copy upon request; and
- 14 g. Provides a written disclaimer on or accompanying all applications and guideline
15 materials distributed by or on behalf of the organization which explains:
- 16 (1) The organization facilitating the sharing of medical expenses is not an
17 insurance company and its guidelines and plan of operation are not an
18 insurance policy;
- 19 (2) Whether anyone chooses to assist the participant with medical bills is
20 voluntary;
- 21 (3) Participation in the organization or a subscription to its documents is not
22 insurance; and
- 23 (4) Regardless of whether the participant receives payments or the organization
24 continues to operate, the participant is responsible for the payment of the
25 participant's medical bills.