

2025 SENATE INDUSTRY AND BUSINESS

SB 2348

2025 SENATE STANDING COMMITTEE MINUTES

Industry and Business Committee Fort Union Room, State Capitol

SB 2348
2/4/2025

A bill relating to the acceptance of health care sharing ministries by an institution of higher education and health care sharing ministries' exemptions from insurance laws and regulations.

11:00 a.m. Chairman Barta opened the hearing.

Members present: Chairman Barta, Vice-Chairman Boehm, Senator Klein, Senator Enget

Members absent: Senator Kessel

Discussion Topics:

- Out-of-state universities and higher education institutions
- Coverage qualification
- Insurance Department
- Definition and history of Health Share Ministries
- International students
- Leadership and industry changes
- Health care sharing accreditation boards
- Consumer protection and the Attorney General
- Number of Samaritan Ministries members
- Health sharing process
- Administration expenses
- Transfer of risk
- Current policy of University System
- Health insurance requirements and visas
- Federal regulations
- United Health Care
- MER coverage
- Definition of insurance
- Reimbursement rates
- Charity care policy
- Complaint mechanisms
- Private pay vs insurance pay
- Reinsurance
- Licensed insurance producer
- Enforcement authority and verification

10:59 a.m. Senator Kent Weston, District 15, testified in favor and introduced the bill.

11:01 a.m. Shane Goettel, Samaritan Ministries, testified in favor.

11:05 a.m. Joel C. Noble, Director of Public Policies at Samaritan Ministries International, testified in favor and submitted testimony #34189.

11:14 a.m. Katie C. Fitzsimmons, Director of Student Affairs at the ND University System, testified in opposition and submitted testimony #34413.

11:21 a.m. Dylan C. Wheeler, Head of Government Affairs at Government Affairs for Sanford Health Plan, testified in opposition and submitted testimony #34483.

11:30 a.m. John Arnold, Deputy Insurance Commissioner, testified in opposition.

11:37 a.m. Chairman Barta closed the hearing.

Audrey Oswald, Committee Clerk

SamaritanTM

MINISTRIES

Chair Barta, and members of the committee,

Samaritan Ministries is one of the three largest national health care sharing ministries, and a founding member of the Alliance of Health Care Sharing Ministries. Samaritan was approved and accredited by the Health Care Sharing Accreditation Board in 2022, 2023, and again in 2024.

For over 30 years Samaritan Ministries has been serving its members, as Christians bear one another's burdens through health care sharing and that includes currently over 1500 individuals here in North Dakota. It is estimated that more than 4000 additional individuals are in similar ministries.

We support SB 2348 as it will remove any question that may arise in the future by recognizing that health care sharing ministries do not constitute the transaction of insurance business in North Dakota. 33 other states have already passed similar laws. Explicitly clarifying that health care sharing ministries are not subject to the insurance code will eliminate any confusion about jurisdiction, and as ministries, they are subject to the laws applicable to charities, enforced by the Attorney General.

Health care sharing ministries have been formed to help meet the health care cost needs of members by sharing funds voluntarily among other members of similar beliefs. The monthly amounts, or shares, each member contributes are sent to other members to help pay for their medical expenses and are administered by the health care sharing ministries, who function as clearinghouses for the shares.

Health care sharing ministries do not assume any risk or guarantee payment of medical bills and operate with voluntary cooperative sharing without a contractual transfer of risk. Health care sharing ministries also put a heavy priority on seeking to meet the spiritual and emotional needs of members through prayer and notes of encouragement from member to member.

Because of the unique nature of health care sharing ministries, well-meaning insurance regulators occasionally attempt to subject HCSMs to the same requirements as insurance companies. It is impossible to meet such standards without destroying the voluntary, ministerial nature of these ministries, and fighting the regulators in court is extremely expensive and strains the finances of the HCSM membership—who are already chosen, in many cases to live on a minister's salary. Additionally, the uncertainty created by such litigation can also harm the functioning of the ministry.

SB 2348 will also exempt public university students who are members of HCSMs from their school's insurance coverage requirement. These students are already having their health care expenses shared by their fellow HCSM members and should not be required to increase their higher education financial burden by being forced to purchase unnecessary insurance. Additionally, it is common for the entity that is processing the insurance waiver request to be the same company that sells university insurance.

We would ask that you support SB 2348 which will explicitly clarify the nature of HCSMs as ministries.

Joel Noble, Director of Public Policy, Samaritan Ministries, Int.

**SB 2348**

Senate Industry, Business, and Labor

February 4, 2025

Katie Fitzsimmons, Director of Student Affairs, NDUS

701-328-4109 | katie.fitzsimmons@ndus.edu

Chair Barta and members of the Senate Industry, Business, and Labor Committee, my name is Katie Fitzsimmons and I serve as the Director of Student Affairs for the North Dakota University System. I am here today on behalf of the North Dakota University System and its eleven institutions to provide testimony in opposition related to SB 2348 and enlighten the committee about the current policy used throughout the North Dakota University System regarding health insurance.

Currently, there is no widespread requirement for students to carry health insurance for the purposes of enrollment. According to data we have from our American College Health Association-National College Health Assessment (ACHA-NCHA; collected in February 2024), 96.2% of our students reported carrying health insurance in some form, whether that was insurance through their parents, themselves, their spouse, or other sponsorships.

For some sectors of students, health insurance may be a requirement. This would apply to our student athletes and students enrolled in particular fields of study (such as healthcare). One campus reported to me that they currently accept participation in a health care sharing ministry program as health insurance for students that fall into these categories, in which case, we do not see much need for this bill to codify what we already practice. However, when it comes to our international students, we have stringent health insurance requirements ([SBHE Policy 505](#)), and health care sharing ministries cannot meet these conditions; thus we oppose this bill or respectfully request an amendment in regard to international students.

International students arrive on our campuses through authorizations through different types of visas. Students on J visas have very specific requirements for health insurance coverage to maintain their visa. These requirements set by the US Department of State include: medical benefit coverage of at least \$100,000 per accident or illness; at least \$50,000 for medical evacuation to their home country; at least \$25,000 for repatriation of remains in the event of death; no more than a \$500 deductible; and copayments of no more than 25%. These requirements are not negotiable; if a student does not have health insurance that hits these requirements, their visa will be terminated. If this bill were to pass, we would have state law in direct conflict with federal regulation.

In the instances of other types of visas (F or M), the Department of State does not set health insurance requirements but the North Dakota University System bases requirements for those students off the requirements for J visa students. Further, we have experienced several unfortunate worst-case scenarios with international students who were uninsured or under-insured. In my experience of working with the campuses and the 1301 individuals currently enrolled on the health insurance plan that the NDUS brokers with United Healthcare, allowing a student to intentionally enroll on a plan that is explicitly defined in the bill as “not insurance” would be misleading and possibly detrimental to the students’ ability to remain healthy and enrolled.

From November 11, 2021-January 11, 2024, there were 25 claims on our United Healthcare plan that were a minimum of \$30,000. The claims ranged from \$30,721-\$146,880 each for a total of \$1,932,859; an average of \$74,340 a month for the time period in which they occurred. Many of these were caused by unforeseen accidents or situations. Allowing international students to participate in a healthcare ministry plan to take the place of their insurance requirement would be misleading not only for medical expenses they would need to cover for themselves, but the liability of other people’s costs they would incur by signing onto one of these groups.

Prior to enrolling at one of our institutions, international students must complete an I-20 form which details the required and anticipated costs to attend one of our institutions. Further, those students must provide proof that they have funding on hand to cover those costs and by signing the form, they acknowledge the charges that will appear on their bill. Health insurance is included in those costs. Our plan right now costs \$2369 per year; \$896 for the fall semester; \$863 for the spring semester; and \$610 for the summer term. We have a waiver process available if students have alternative coverage through an employer or spouse. The piece that is most commonly not found on other health insurance plans is what is called the “MER” coverage: medical evacuation and repatriation of remains. Should the worst occur, that coverage is imperative. Costs associated with these needs quickly climb into the tens of thousands of dollars and either the institution or local medical facility could be on the hook for these costs if the student is out of the country and unreachable.

While I am not wholly familiar with what health care ministries can cover for individuals, they are ultimately not insurance and would leave our international students with not enough coverage and a pile of bills to pay for others. We would ask for an amendment to the bill for this coverage to exclude international students.

This concludes my testimony related to SB 2348. I stand for questions from Committee members.

**NORTH DAKOTA
STATE BOARD OF HIGHER EDUCATION
Policy Manual**

Policy: 505 International Student Health Insurance

Effective: October 29, 2020

1. All international students enrolled at any NDUS institution shall carry the group health and accident insurance plan approved by the Chancellor beginning on or before the date they commence studies and lasting until termination or completion of their studies.

a. “International students” for the purposes of this policy means students having non-immigrant status for the primary purpose of studying in the United States, including any students holding a student category J, F, or M visa who are enrolled at an NDUS institution.

b. For students in J-1 or J-2 status, the approved plan must also meet the minimum requirements for health insurance plans established by the United States department of state for exchange visitors and the student’s institution.

c. The NDUS contracts with a third-party student health insurance provider. Terms, conditions, and refunds are within the purview of the insurance provider.

2. Waivers are only granted in exceptional circumstances. Further, waivers are granted by each institution and are subject to the criteria for comparable coverage outlined by procedure.

3. In addition, the Chancellor may by procedure exempt students who are citizens of countries with a mandatory national health plan (or are otherwise eligible for coverage by such a mandatory national health plan), if:

a. The mandatory national health insurance plan covers all students who are citizens of that country (or who are otherwise eligible for coverage);

b. The mandatory national health plan covers students studying in the United States; and

c. The coverage provided by the mandatory national health insurance plan is comparable to the plan required by this policy and immigration visa standards.

Reference: NDUS Procedure 505



Chairman Barta and Members of the Committee –

Good Morning – my name is Dylan Wheeler, Head of Government Affairs for Sanford Health Plan. This morning, speaking in opposition to SB 2348, which de-regulates health care sharing ministries from statutory and regulatory oversight in North Dakota. To be clear on the front end – my comments this morning are in no way to be construed against any religion; rather, speaking primarily through the lens of a health insurance carrier that abides by and adheres to the statutory and regulatory structure here in North Dakota.

What is insurance? This may seem like a basic question, but it is one that should be addressed when discussing this bill. If a product is held out as, acts like, or otherwise functions like insurance – such products should be under the oversight of the North Dakota Insurance Department. Generally, insurance may be defined as “a practice or arrangement by which a company or government agency provides a guarantee of compensation for specified loss, damage, illness, or death in return for payment of a premium.”

So that naturally leads to the subsequent question as to whether a health care sharing ministry meets the definition of insurance – the answer is yes. Health Care Sharing Ministries charge members of the plan a monthly premium in exchange for covering specified services under the plan. Thus, health care sharing ministries are insurance and should not be exempted from North Dakota oversight.

Finally, from a health system and provider point of view, health care sharing ministries often cause confusion, abrasion, and frustration with patients and health systems. Health systems may not contract with health care sharing ministries because reimbursement rates are incredibly low and they put patients in a position with large financial bills due to confusion of what is or is not covered.¹

In conclusion – health care sharing ministries are insurance products and should be held to the same standard as health insurance carriers in North Dakota. They insure against future losses in exchange for payment of a premium.

We request a Do Not Pass recommendation on the bill and I will stand for any questions.

Dylan C. Wheeler
Head of Government Affairs
Sanford Health Plan

¹ See <https://www.nbcnews.com/health/health-care/health-care-cost-sharing-ministries-maternity-childbirth-rcna170230>

2025 SENATE STANDING COMMITTEE MINUTES

Industry and Business Committee Fort Union Room, State Capitol

SB 2348
2/10/2025

A bill relating to the acceptance of health care sharing ministries by an institution of higher education and health care sharing ministries' exemptions from insurance laws and regulations.

9:06 a.m. Chairman Barta opened the hearing.

Members present: Chairman Barta, Vice-Chair Boehm, Senator Klein, Senator Kessel, Senator Enget

Discussion Topics:

- Samaritan Ministries
- State Board of Higher Education
- Public welfare title and definition

9:07 a.m. Shane Goettle, on behalf of Dakota Strategies, testified in neutral.

9:11 a.m. Senator Enget moved to adopt amendment LC# 25.1024.02001.

9:12 a.m. Senator Klein seconded the motion.

Senators	Vote
Senator Jeff Barta	Y
Senator Keith Boehm	Y
Senator Mark Enget	Y
Senator Greg Kessel	Y
Senator Jerry Klein	Y

Motion passed 5-0-0.

9:13 a.m. Senator Klein moved a Do Pass As Amended.

9:13 a.m. Senator Kessel seconded the motion.

Senators	Vote
Senator Jeff Barta	Y
Senator Keith Boehm	Y
Senator Mark Enget	Y
Senator Greg Kessel	Y
Senator Jerry Klein	Y

Motion passed 5-0-0.

Senate Industry, Business and Labor Committee
SB 2348
2/10/25
Page 2

Senator Enget will carry the bill.

9:14 a.m. Chairman Barta closed the hearing.

Audrey Oswald, Committee Clerk

February 10, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

SENATE BILL NO. 2348

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~~ chapter to title 50 of the North Dakota Century Code, relating to the acceptance
3 of health care sharing ministries by an institution of higher education and health care sharing
4 ministries' 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 1. A student's active participation in a health care sharing ministry, as defined under
11 section 2 of this Act, satisfies any requirement that a student enrolled in an institution
12 of higher education maintain health care coverage, except as provided in
13 subsection 2.
- 14 2. Notwithstanding subsection 1, this section does not apply to an international student
15 who is required to maintain health insurance coverage in compliance with federal visa
16 regulations, including students holding J, F, or M visas. Institutions of higher education
17 shall require these students to obtain a health insurance policy that meets the
18 minimum standards provided by the United States department of state and a state
19 board of higher education policy governing health insurance requirements for
20 international students.

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

3 ~~Health care sharing ministry.~~

4 ~~1. A health care sharing ministry may not be considered to be engaging in the business~~
5 ~~of insurance and is exempt from regulations applicable to insurance entities.~~

6 ~~2. As used in this section, "health care sharing ministry" means a nonprofit organization~~
7 ~~that:~~

8 ~~a. Is recognized as tax exempt under section 501(c)(3) of the United States Internal~~
9 ~~Revenue Code [26 U.S.C. 501(c)(3)];~~

10 ~~b. Limits its participants to members who share a common set of ethical or religious~~
11 ~~beliefs;~~

12 ~~c. Acts as a facilitator among participants who have financial or medical needs to~~
13 ~~assist participants with financial or medical needs according to criteria~~
14 ~~established by the health care sharing ministry;~~

15 ~~d. With no assumption of risk or promise to pay, provides for the financial or medical~~
16 ~~needs of a participant through contributions from other participants, which were~~
17 ~~contributed by participants with no assumption of risk or promise to pay;~~

18 ~~e. Monthly provides to participants the total dollar amount of qualified needs shared~~
19 ~~during the previous month according to criteria established by the health care~~
20 ~~sharing ministry;~~

21 ~~f. Annually conducts an audit performed by an independent certified public~~
22 ~~accounting firm according to generally accepted accounting principles and~~
23 ~~publishes the audit on the health care sharing ministry's website or provides a~~
24 ~~copy upon request; and~~

25 ~~g. Provides a written disclaimer on or accompanying all applications and guideline~~
26 ~~materials distributed by or on behalf of the organization which explains:~~

27 ~~(1) The organization facilitating the sharing of medical expenses is not an~~
28 ~~insurance company and its guidelines and plan of operation are not an~~
29 ~~insurance policy;~~

30 ~~(2) Whether anyone chooses to assist the participant with medical bills is~~
31 ~~voluntary;~~

1 ~~(3) Participation in the organization or a subscription to its documents is not~~
2 ~~insurance; and~~

3 ~~(4) Regardless of whether the participant receives payments or the organization~~
4 ~~continues to operate, the participant is responsible for the payment of the~~
5 ~~participant's medical bills.~~

6 **SECTION 2.** A new chapter to title 50 of the North Dakota Century Code is created and
7 enacted as follows:

8 **Definitions.**

9 As used in this chapter, "health care sharing ministry" means a nonprofit organization that:

- 10 1. Is recognized as tax exempt under section 501(c)(3) of the United States Internal
11 Revenue Code [26 U.S.C. 501(c)(3)];
- 12 2. Limits its participants to members who share a common set of ethical or religious
13 beliefs;
- 14 3. Acts as a facilitator among participants who have financial or medical needs to assist
15 participants with financial or medical needs according to criteria established by the
16 health care sharing ministry;
- 17 4. With no assumption of risk or promise to pay, provides for the financial or medical
18 needs of a participant through contributions from other participants, which were
19 contributed by participants with no assumption of risk or promise to pay;
- 20 5. Provides to participants each month the total dollar amount of qualified needs shared
21 during the previous month according to criteria established by the health care sharing
22 ministry;
- 23 6. Annually conducts an audit performed by an independent certified public accounting
24 firm according to generally accepted accounting principles and publishes the audit on
25 the health care sharing ministry's website or provides a copy upon request; and
- 26 7. Provides a written disclaimer on or accompanying all applications and guideline
27 materials distributed by or on behalf of the organization which explains:
 - 28 a. The organization facilitating the sharing of medical expenses is not an insurance
29 company and its guidelines and plan of operation are not an insurance policy;
 - 30 b. Whether anyone chooses to assist the participant with medical bills is voluntary;

- 1 c. Participation in the organization or a subscription to its documents is not
- 2 insurance; and
- 3 d. Regardless of whether the participant receives payments or the organization
- 4 continues to operate, the participant is responsible for the payment of the
- 5 participant's medical bills.
- 6 Health care sharing ministry.
- 7 A health care sharing ministry may not be considered to be engaging in the business of
- 8 insurance and is exempt from regulations applicable to insurance entities.

**REPORT OF STANDING COMMITTEE
SB 2348**

Industry and Business Committee (Sen. Barta, Chairman) recommends **AMENDMENTS** ([25.1024.02001](#)) and when so amended, recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). SB 2348 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

2025 HOUSE INDUSTRY, BUSINESS AND LABOR

SB 2348

2025 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

SB 2348
3/25/2025

A BILL for an Act to create and enact a new section to chapter 15-10 and a new chapter to title 50 of the North Dakota Century Code, relating to the acceptance of health care sharing ministries by an institution of higher education and health care sharing ministries' exemptions from insurance laws and regulations.

8:59 a.m. Chairman Warrey opened the meeting.

Members Present: Chairman Warrey, Vice Chairman Ostlie, Vice Chairman Johnson, Representatives Bahl, C. Brown, T. Brown, Finley-DeVille, Grindberg, Kasper, Koppelman, D. Ruby, Schauer, Vollmer

Member Absent: Representative Schatz

Discussion Topics:

- Lower premiums
- Preferred Provider Organization (PPO)
- Definition in code
- 33 states recognize
- Guidelines

9:00 a.m. Senator Kent Weston, District 15, Sarles, ND, introduced and testified.

9:04 a.m. Shane Goettle, Lobbyist, Samaritan Ministries, International, testified in favor and submitted testimony #43707.

9:11 a.m. Joel Noble, Director of Public Policy, Samaritan Ministries, International, testified in favor and submitted testimony #43708.

9:29 a.m. Dylan Wheeler, Head of Government Affairs, Sanford Health Plan, testified in opposition and submitted testimony #43695.

9:44 a.m. Katie C. Fitzsimmons, Director of Student Affairs, ND University System, testified as neutral.

Additional Written Testimony:

John R. Arnold, Deputy Commissioner, North Dakota Insurance Department, submitted testimony as neutral #43718.

9:50 a.m. Chairman Warrey closed the meeting.

Diane Lillis, Committee Clerk



Chairman Warrey and Members of the Committee –

Good Morning – my name is Dylan Wheeler, Head of Government Affairs for Sanford Health Plan. This morning, speaking in opposition to SB 2348, which de-regulates health care sharing ministries from statutory and regulatory oversight in North Dakota. To be clear on the front end – my comments this morning are in no way to be construed against any religion; rather, speaking primarily through the lens of a health insurance carrier that abides by and adheres to the statutory and regulatory structure here in North Dakota.

What is insurance? This may seem like a basic question, but it is one that should be addressed when discussing this bill. If a product is held out as, acts like, or otherwise functions like insurance – such products should be under the oversight of the North Dakota Insurance Department. Generally, insurance may be defined as “a practice or arrangement by which a company or government agency provides a guarantee of compensation for specified loss, damage, illness, or death in return for payment of a premium.”

So that naturally leads to the subsequent question as to whether a health care sharing ministry meets the definition of insurance – the answer is yes. Health Care Sharing Ministries charge members of the plan a monthly premium in exchange for covering specified services under the plan. Thus, health care sharing ministries are insurance and should not be exempted from North Dakota oversight.

Finally, from a health system and provider point of view, health care sharing ministries often cause confusion, abrasion, and frustration with patients and health systems. Health systems may not contract with health care sharing ministries because reimbursement rates are incredibly low and they put patients in a position with large financial bills due to confusion of what is or is not covered.¹

In conclusion – health care sharing ministries are insurance products and should be held to the same standard as health insurance carriers in North Dakota. They insure against future losses in exchange for payment of a premium.

We request a Do Not Pass recommendation on the bill and I will stand for any questions.

Dylan C. Wheeler
Head of Government Affairs
Sanford Health Plan

¹ See <https://www.nbcnews.com/health/health-care/health-care-cost-sharing-ministries-maternity-childbirth-rcna170230>

Date: March 25, 2025

Committee: North Dakota House Industry, Business and Labor Committee

Chair: Representative Jonathan Warrey

Bill: Senate Bill 2348 – Recognition and Exemption of Health Care Sharing Ministries

Presenter: Shane Goettle, Dakota Strategies (on behalf of Samaritan Ministries)

SB 2348

Chairman Warrey and members of the House Industry, Business and Labor Committee, thank you for the opportunity to testify today in support of Senate Bill 2348. For the record, my name is Shane Goettle, and I am a lobbyist with Dakota Strategies, here on behalf of my client Samaritan Ministries. Samaritan Ministries is a leading health care sharing ministry, and we strongly support SB 2348. This legislation is important to ensure that North Dakotans who participate in health care sharing ministries are recognized and accommodated under state law. SB 2348 specifically addresses two key areas: health coverage requirements for students, and the regulatory status of health care sharing ministries.

Section 1: Acceptance of Health Care Sharing for Student Coverage.

The first section of SB 2348 deals with health coverage requirements at North Dakota's colleges and universities. It provides that a student's active participation in a health care sharing ministry will satisfy any requirement for that student to maintain health insurance or health coverage while enrolled in an institution of higher education.

In practical terms, if a student is a member of a qualifying health care sharing ministry, the school must accept that membership as meeting the student health coverage mandate – the student would not be forced to purchase a separate insurance plan to fulfill campus requirements.

This section does include one important exception: it exempts international students on J, F, or M visas. Those students, due to federal visa regulations, must still carry a traditional health insurance policy that meets U.S. Department of State standards and any State Board of Higher Education policy for international students.

Aside from that narrow exception, Section 1 ensures that North Dakota students who use health care sharing ministries can continue their education without being penalized or required to buy redundant insurance. It recognizes the choice of families and students who rely on faith-based health care sharing for their medical needs, allowing them to satisfy university insurance rules through their ministry membership.

Section 2: Definition and Insurance Law Exemption for Health Care Sharing Ministries.

The second section of SB 2348 creates a new chapter in Title 50 of the North Dakota Century Code to formally define what constitutes a “health care sharing ministry” and to clarify that these ministries are not subject to insurance regulation.

Under this section, a health care sharing ministry is defined by a set of criteria intended to distinguish it from an insurance company. For example, to qualify, an organization must be a nonprofit entity recognized under 501(c)(3) of the Internal Revenue Code, and it must limit its participants to those who share a common set of ethical or religious beliefs.

The ministry acts as a facilitator for members to share medical expenses with one another according to established guidelines, without any assumption of risk or promise to pay on the part of the ministry – unlike an insurer, the ministry does not guarantee payment of claims. Members contribute voluntarily to assist others, and each month the ministry typically provides members with a report of the total dollar amount of medical needs shared and met by the community.

SB 2348 also requires that a health care sharing ministry conduct an annual independent audit of its finances, ensuring transparency and accountability, and it mandates that the ministry provide clear written disclaimers to all participants.

These disclaimers must explain that the organization is not an insurance company, that participation is voluntary, and that whether or not any member’s medical bills are paid is dependent on the voluntary contributions of other members, not a guaranteed contract.

In short, Section 2 lays out a clear definition in law to protect consumers and make sure only genuine health care sharing ministries that meet high standards are covered by this provision.

Most importantly, by establishing this definition, Section 2 of the bill explicitly states that a qualifying health care sharing ministry “may not be considered to be engaging in the business of insurance” and is therefore exempt from insurance laws and regulations in North Dakota. This is a crucial clarification for religious-based health care sharing. It means that as long as an organization meets the criteria of a health care sharing ministry, it will not be regulated by the North Dakota Insurance Department as an insurance company.

This exemption protects the freedom of North Dakotans to choose a faith-based, community-oriented approach for their health care needs without inadvertently subjecting those ministries to insurance oversight. Thirty-three states have already enacted similar provisions in their laws to recognize health care sharing ministries in this way. By passing SB 2348, North Dakota would join those states in providing a safe legal harbor for health care sharing ministries, affirming that this method of sharing one another’s medical burdens is a legitimate and protected option for residents. It harmonizes our state law with the principle already acknowledged at the federal

level (for instance, the Affordable Care Act recognizes health care sharing ministries), making it clear that this health care option is not insurance and should not be treated as such.

Conclusion:

In conclusion, Senate Bill 2348 is a reasonable and important measure to support consumer choice and religious freedom in health care. It ensures that college students who are members of health care sharing ministries can meet university health coverage requirements without unnecessary expense or conflict, and it provides certainty that health care sharing ministries can operate in North Dakota without being misclassified or over-regulated as insurance.

On behalf of Samaritan Ministries and its members, I respectfully urge the Committee to give SB 2348 a favorable recommendation. Chairman Warrey and committee members, thank you for your time and consideration of this testimony. I am happy to answer any questions you may have.

Finally, I would like to introduce Mr. Joel Noble, the Director of Public Policy for Samaritan Ministries, who will speak next and provide further testimony on this bill. Thank you.

SamaritanTM

MINISTRIES

Chair Warrey, and members of the committee,

Samaritan Ministries is one of the three largest national health care sharing ministries, and a founding member of the Alliance of Health Care Sharing Ministries. Samaritan was approved and accredited by the Health Care Sharing Accreditation Board in 2022, 2023, and again in 2024.

For over 30 years Samaritan Ministries has been serving its members, as Christians bear one another's burdens through health care sharing and that includes currently over 1500 individuals here in North Dakota. It is estimated that more than 4000 additional individuals are in similar ministries.

We support SB 2348 as it will remove any question that may arise in the future by recognizing that health care sharing ministries do not constitute the transaction of insurance business in North Dakota. 33 other states have already passed similar laws.

Explicitly clarifying that health care sharing ministries are not subject to the insurance code will eliminate any confusion about jurisdiction, and as ministries, they are subject to the laws applicable to charities, enforced by the Attorney General.

Health care sharing ministries have been formed to help meet the health care cost needs of members by sharing funds voluntarily among other members of similar beliefs. The monthly amounts, or shares, each member contributes are sent to other members to help pay for their medical expenses and are administered by the health care sharing ministries, who function as clearinghouses for the shares.

Health care sharing ministries do not assume any risk or guarantee payment of medical bills and operate with voluntary cooperative sharing without a contractual transfer of risk. Health care sharing ministries also put a heavy priority on seeking to meet the spiritual and emotional needs of members through prayer and notes of encouragement from member to member.

Because of the unique nature of health care sharing ministries, well-meaning insurance regulators occasionally attempt to subject HCSMs to the same requirements as insurance companies. It is impossible to meet such standards without destroying the voluntary, ministerial nature of these ministries, and fighting the regulators in court is extremely expensive and strains the finances of the HCSM membership—who are already chosen, in many cases to live on a minister's salary. Additionally, the uncertainty created by such litigation can also harm the functioning of the ministry.

SB 2348 will also exempt public university students who are members of HCSMs from their school's insurance coverage requirement. These students are already having their health care expenses shared by their fellow HCSM members and should not be required to increase their higher education financial burden by being forced to purchase unnecessary insurance. Additionally, it is common for the entity that is processing the insurance waiver request to be the same company that sells university insurance.

We would ask that you support SB 2348 which will explicitly clarify the nature of HCSMs as ministries.

Joel Noble, Director of Public Policy, Samaritan Ministries, Int.



SB 2348 NEUTRAL TESTIMONY

John Arnold, Deputy Commissioner

House Industry, Business and Labor Committee

March 25, 2025

Good morning, Chairman Warrey and members of the House Industry, Business, and Labor Committee.

My apologies for not being able to attend this morning's hearing of SB 2348 in person. However, I did want to note that the amendments that the Senate adopted in the First Engrossment addressed the Insurance Department's concerns with the bill as it was introduced. As such, and for the record, I wanted to let the committee know that the Insurance Department is no longer opposes SB 2348.

Thank you. If the committee has any questions, I would be happy to respond to them via email or I can address the committee next week.

2025 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

SB 2348
3/26/2025

A BILL for an Act to create and enact a new section to chapter 15-10 and a new chapter to title 50 of the North Dakota Century Code, relating to the acceptance of health care sharing ministries by an institution of higher education and health care sharing ministries' exemptions from insurance laws and regulations.

9:51 a.m. Chairman Warrey opened the meeting.

Members Present: Chairman Warrey, Vice Chairman Ostlie, Vice Chairman Johnson, Representatives Bahl, C. Brown, T. Brown, Finley-DeVile, Grindberg, Kasper, Koppelman, D. Ruby, Schauer, Vollmer

Member Absent: Representative Schatz

9:52 a.m. Representative Koppelman moved Do Pass.

9:52 a.m. Representative Kasper seconded the motion.

Representatives	Vote
Representative Jonathan Warrey	Y
Representative Mitch Ostlie	N
Representative Jorin Johnson	Y
Representative Landon Bahl	Y
Representative Collette Brown	Y
Representative Timothy Brown	Y
Representative Lisa Finley-DeVile	Y
Representative Karen Grindberg	Y
Representative Jim Kasper	Y
Representative Ben Koppelman	Y
Representative Dan Ruby	Y
Representative Mike Schatz	AB
Representative Austin Schauer	Y
Representative Daniel R. Vollmer	Y

Motion passed 12-1-1

9:54 a.m. Representative Kasper will carry the bill.

9:54 a.m. Chairman Warrey closed the meeting.

Diane Lillis, Committee Clerk

**REPORT OF STANDING COMMITTEE
ENGROSSED SB 2348 ([25.1024.03000](#))**

Industry, Business and Labor Committee (Rep. Warrey, Chairman) recommends **DO PASS** (12 YEAS, 1 NAY, 1 ABSENT OR EXCUSED AND NOT VOTING). SB 2348 was placed on the Fourteenth order on the calendar.