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## HOUSE BILL NO. 1512

Offered January 17, 2008

A BILL to amend the Code of Virginia by adding in Title 38.2 a chapter numbered 63, consisting of sections numbered 38.2-6300 and 38.2-6301, relating to health care sharing ministries.

Patrons—Byron, Nixon and Oder; Senator: Newman

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Title 38.2 a chapter numbered 63, consisting of sections numbered 38.2-6300 and 38.2-6301, as follows:

## CHAPTER 63.

## HEALTH CARE SHARING MINISTRIES.

## § 38.2-6300. Definition.

As used in this chapter, "health care sharing ministry" means a health care cost sharing arrangement among individuals of the same religion based on their sincerely held religious beliefs, which arrangement is administered by a non-profit organization that has been granted an exemption from federal income taxation pursuant to § 501(c)(3) of the Internal Revenue Code of 1986 and that:

1. Limits its membership to individuals who are of a similar faith;
2. Acts as an organizational clearinghouse for information about members who have financial or medical needs and matches them with members with the present ability to assist those with financial or medical needs, all in accordance with the organization's criteria;
3. Provides for the financial or medical needs of a member through payments directly from one member to another. The requirements of this subdivision 3 may be satisfied by a trust established solely for the benefit of members, which trust is audited annually by an independent auditing firm;
4. Provides amounts that members/subscribers may contribute with (i) no assumption of risk or promise to pay among the members and (ii) no assumption of risk or promise to pay by the organization to the members;
5. Provides written monthly statements to all members that list the total dollar amount of qualified needs submitted to the organization by members for their contribution; and
6. Provides in substance the following written disclaimer on or accompanying all promotional documents distributed by or on behalf of the organization, including applications and guideline materials:

## "Notice:

This publication is not insurance, and is not offered through an insurance company. Whether anyone chooses to assist you with your medical bills will be totally voluntary, as no other member will be compelled by law to contribute toward your medical bills. As such, this publication should never be considered to be insurance. Whether you receive any payments for medical expenses and whether or not this publication continues to operate, you are always personally responsible for the payment of your own medical bills."

## § 38.2-6301. Health care sharing ministry not providing insurance.

The provisions of this title shall not apply to a health care sharing ministry. A health care sharing ministry that, through its publication to members, solicits funds for the payment of medical expenses of other members, shall not be considered to be engaging in the business of insurance for purposes of this title and shall not be subject to the jurisdiction of the Commission.

INTRODUCED

HB1512