

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
89th General Assembly
Regular Session, 2013

As Engrossed: S3/20/13
A Bill

SENATE BILL 362

By: Senator J. Woods
By: Representative Hammer

For An Act To Be Entitled

AN ACT TO EXEMPT HEALTH CARE SHARING MINISTRIES FROM
THE INSURANCE LAWS OF ARKANSAS; AND FOR OTHER
PURPOSES.

Subtitle

AN ACT TO EXEMPT HEALTH CARE SHARING
MINISTRIES FROM THE INSURANCE LAWS OF
ARKANSAS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 23-60-104 is amended to read as follows:

23-60-104. Exceptions – Burial associations – Health care sharing
ministries – Definition.

(a) The Arkansas Insurance Code and rules promulgated by the Insurance
Commissioner under the Arkansas Insurance Code shall not apply with respect
do not apply to:

(1) ~~burial~~ Burial associations governed by §§ 23-78-101 – 23-78-
119, and 23-78-121 – 23-78-125, ~~and amendments thereto;~~ or

(2) Health care sharing ministries.

(b) As used in this section, "health care sharing ministry" means a
faith-based, nonprofit organization that:

(1) Is tax-exempt under the Internal Revenue Code of 1986;

(2) Limits participation to those who are of a similar faith;

(3) Facilitates an arrangement to match participants who have
financial or medical needs to participants with the present ability to assist



those with financial or medical needs according to criteria established by the health care sharing ministry;

(4) Provides for the financial or medical needs of a participant through contributions from one (1) participant to another;

(5) Establishes contribution amounts for participants with no guarantee of return, assumption of risk, or promise to pay qualified medical needs of the participant or of the medical provider performing the service or services for the participant;

(6) Provides a written monthly statement to its participants that lists:

(A) The total dollar amount of qualified needs submitted to the health care sharing ministry; and

(B) The amount of contribution established for its participants;

(7) Provides a written disclaimer on or accompanying an application and guideline material distributed by or on behalf of the health care sharing ministry that reads, in substance:

"Notice: The organization facilitating the sharing of medical expenses is not an insurance company and neither its guidelines nor plan of operation is an insurance policy. If anyone chooses to assist you with your medical bills, it will be totally voluntary because participants are not 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 if this organization continues to operate, you are always personally responsible for the payment of your own medical bills."; and

(8) Transfers or distributes contribution amounts from one (1) participant to match the qualified medical needs of another participant to whom neither the organization nor the sending participant has an obligation or commitment to pay for any qualified medical needs with its own funds.

SECTION 2. Arkansas Code § 23-76-103, concerning applicability of the insurance laws of this state concerning hospital and medical service corporations, is amended to add an additional subsection to read as follows:

(c) This chapter does not apply to health care sharing ministries as defined in § 23-60-104(b).

/s/J. Woods