

H. B. 2511

(By Delegates Walters, Howell, Ellington, Canterbury, R. Smith,
Gearheart, Westfall, McGeehan, Perry, P. Smith and Ambler)

[Introduced January 29, 2015; referred to the

Committee on Health and Human Resources then the Judiciary.]

A BILL to amend and reenact §33-15-1 of the Code of West Virginia, 1931, as amended; to amend
said code by adding thereto a new article, designated §33-15F-1, §33-15F-2 and §33-15F-3;
and to amend and reenact §33-16-1 of said code, all relating to creating the "Health Care
Sharing Ministries Freedom to Share Act;" exempting health care sharing ministries from
state statutory requirements of individual and group accident and health insurance policies;
setting forth the conditions that must be met; providing a short title; and defining a term.

Be it enacted by the Legislature of West Virginia:

That §33-15-1 of the Code of West Virginia, 1931, as amended, be amended and reenacted;
that said code be amended by adding thereto a new article, designated §33-15F-1, §33-15F-2 and
§33-15F-3; and that §33-16-1 of said code be amended and reenacted, all to read as follows:

ARTICLE 15. ACCIDENT AND SICKNESS INSURANCE.

§33-15-1. Scope of article.

Nothing in this article shall apply to or affect:

~~(a)~~ (1) Any policy of liability or workers' compensation insurance nor shall any of the

1 references to "other insurance" contained in this article be interpreted to mean, include, or apply to,
2 any policy of liability or workers' compensation insurance.

3 ~~(b)~~ (2) Any group accident and sickness policy issued in accordance with article sixteen of
4 this chapter.

5 (3) Any "health care sharing ministry" as that term is defined in section three, article fifteen-f
6 of this chapter that is in compliance with that article.

7 ~~(c)~~ (4) Life insurance (including endowment or annuity contracts), or contracts supplemental
8 thereto, which contain only such provisions relating to accident and sickness insurance as: ~~(1)~~ (A)
9 Provide additional benefits in case of death by accidental means; or as ~~(2)~~ (B) operate to safeguard
10 such contracts against lapse, or to give a special surrender value or special benefit or an annuity in
11 the event that the insured shall become totally and permanently disabled as defined by the contract
12 or supplemental contract.

13 ~~(d)~~ (5) Reinsurance.

14 **ARTICLE 15F. Health Care Sharing Ministries.**

15 **§33-15F-1. Short title.**

16 This act shall be known as the "Health Care Sharing Ministries Freedom to Share Act."

17 **§33-15F-2. Exemption.**

18 A health care sharing ministry shall not be considered to be engaging in the business of
19 insurance for purposes of this chapter.

20 **§33-15F-3. Definition.**

21 For the purposes of this article "health care sharing ministry" means a faith-based, nonprofit
22 organization that is tax-exempt under the Internal Revenue Code that:

- 1 (1) Limits its participants to those who are of a similar faith;
- 2 (2) Acts as a facilitator among participants who have financial or medical needs and matches
3 those participants with other participants with the present ability to assist those with financial or
4 medical needs in accordance with criteria established by the health care sharing ministry;
- 5 (3) Provides for the financial or medical needs of a participant through contributions from
6 one participant to another;
- 7 (4) Provides amounts that participants may contribute with no assumption of risk or promise
8 to pay among the participants and no assumption of risk or promise to pay by the health care sharing
9 ministry to the participants;
- 10 (5) Provides a written monthly statement to all participants that lists the total dollar amount
11 of qualified needs submitted to the health care sharing ministry, as well as the amount actually
12 published or assigned to participants for their contribution; and
- 13 (6) Provides a written disclaimer on or accompanying all applications and guideline materials
14 distributed by or on behalf of the organization that reads, in substance: "Notice: The organization
15 facilitating the sharing of medical expenses is not an insurance company, and neither its guidelines
16 nor plan of operation is an insurance policy. Whether anyone chooses to assist you with your medical
17 bills will be totally voluntary because no other participant will be compelled by law to contribute
18 toward your medical bills. As such, participation in the organization or a subscription to any of its
19 documents should never be considered to be insurance. Regardless of whether you receive any
20 payment for medical expenses or whether this organization continues to operate, you are always
21 personally responsible for the payment of your own medical bills."

22 **ARTICLE 16. GROUP ACCIDENT AND SICKNESS INSURANCE.**

1 **§33-16-1. Scope of article.**

2 (a) Nothing in this article shall apply to or affect any policy of liability or workers'
3 compensation insurance, or any policy of individual accident and sickness insurance issued in
4 accordance with article fifteen of this chapter, or any policy issued by a fraternal benefit society.

5 (b) Nothing in this article shall apply to or in any way affect life insurance, endowment or
6 annuity contracts or contracts supplemental thereto which contain no provisions relating to accident
7 or sickness insurance except (a) such as provide additional benefits in case of death by accidental
8 means and except (b) such as operate to safeguard such contracts against lapse, or to give a special
9 surrender value or special benefit or an annuity in the event that the insured or annuitant shall
10 become totally and permanently disabled as defined by the contract or supplemental contract.

11 (c) Nothing in this article shall apply to or affect a "health care sharing ministry" as that term
12 is defined in section three, article fifteen-f of this chapter that is in compliance with that article.

13 ~~(e)~~ (d) No accident and sickness policy or certificate shall be delivered or issued for delivery
14 in this state insuring more than one individual (subject to the same exceptions provided for group
15 life insurance in section one of article fourteen of this chapter) unless to one of the groups set forth
16 in section two of this article and unless otherwise in compliance with this article.

NOTE: The purpose of this article is to create the "Health Care Sharing Ministries Freedom to Share Act. The bill exempts health care sharing ministries from state statutory requirements of individual and group accident and health insurance policies. The bill sets forth the conditions that must be met. The bill provides a short title. The bill defines a term.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.

Article 15F is new; therefore, it has been completely underscored.