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S.B. 113

SENATE BILL NO. 113—COMMITTEE ON
HEALTH AND HUMAN SERVICES

PREFILED FEBRUARY 1, 2015

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions relating to insurance.
(BDR 57-690)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to insurance; exempting health care sharing ministries from the provisions of the Nevada Insurance Code; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law sets forth the provisions of the Nevada Insurance Code, which
2 regulates the conduct of the business of insurance in this State. (Title 57 of NRS)
3 Under existing law, certain entities and programs are specifically exempted from
4 the application of the Nevada Insurance Code. (NRS 679A.160)

5 This bill completely exempts health care sharing ministries from the provisions
6 of the Nevada Insurance Code. Health care sharing ministries are organizations that
7 facilitate the sharing of health care costs between individual members who share
8 similar ethical or religious beliefs.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 679A of NRS is hereby amended by
2 adding thereto a new section to read as follows:

3 *“Health care sharing ministry” means a nonprofit organization*
4 *that:*

5 *1. Is tax exempt pursuant to the Internal Revenue Code, 26*
6 *U.S.C. § 501;*

7 *2. Limits participation to those persons who share a similar*
8 *set of ethical or religious beliefs;*



1 3. Acts as a facilitator among participants who have financial
2 or medical needs and matches those participants with other
3 participants who have the ability to assist those with financial or
4 medical needs in accordance with criteria established by the
5 health care sharing ministry;

6 4. Provides for the financial or medical needs of a participant
7 through contributions from one participant to another;

8 5. Provides a written monthly statement to all participants
9 that lists the total dollar amount of qualified needs submitted to
10 the health care sharing ministry, as well as the amount actually
11 published or assigned to participants for their contribution; and

12 6. Provides a written disclaimer on or accompanying all
13 applications and guideline materials distributed by or on behalf of
14 the health care sharing ministry that states, in substance:

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16 NOTICE

17 The organization facilitating the sharing of medical
18 expenses is not an insurance company, and neither its
19 guidelines nor plan of operation constitute an insurance
20 policy. Whether anyone chooses to assist you with your
21 medical bills will be totally voluntary because no other
22 participant will be compelled by law to contribute toward
23 your medical bills. As such, participation in the
24 organization or a subscription to any of its documents
25 should never be considered to be insurance. Regardless of
26 whether you receive any payment for medical expenses or
27 whether this organization continues to operate, you are
28 always personally responsible for the payment of your own
29 medical bills.

30 **Sec. 2.** NRS 679A.020 is hereby amended to read as follows:

31 679A.020 As used in this Code, unless the context otherwise
32 requires, the words and terms defined in NRS 679A.030 to
33 679A.130, inclusive, and section 1 of this act have the meanings
34 ascribed to them in those sections.

35 **Sec. 3.** NRS 679A.160 is hereby amended to read as follows:

36 679A.160 Except as otherwise provided by specific statute, no
37 provision of this Code applies to:

38 1. Fraternal benefit societies, as identified in chapter 695A of
39 NRS, except as stated in chapter 695A of NRS.

40 2. Hospital, medical or dental service corporations, as
41 identified in chapter 695B of NRS, except as stated in chapter 695B
42 of NRS.

43 3. Motor clubs, as identified in chapter 696A of NRS, except as
44 stated in chapter 696A of NRS.



1 4. Bail agents, as identified in chapter 697 of NRS, except as
2 stated in NRS 680B.025 to 680B.039, inclusive, and chapter 697 of
3 NRS.

4 5. Risk retention groups, as identified in chapter 695E of NRS,
5 except as stated in chapter 695E of NRS.

6 6. Captive insurers, as identified in chapter 694C of NRS, with
7 respect to their activities as captive insurers, except as stated in
8 chapter 694C of NRS.

9 7. Health and welfare plans arising out of collective bargaining
10 under chapter 288 of NRS, except that the Commissioner may
11 review the plan to ensure that the benefits are reasonable in relation
12 to the premiums and that the fund is financially sound.

13 8. Programs established pursuant to subsection 1 of NRS
14 315.725 and the entities administering those programs, except as
15 stated in NRS 315.725.

16 ***9. Health care sharing ministries, as identified in section 1 of***
17 ***this act.***

18 **Sec. 4.** This act becomes effective on July 1, 2015.

