



Senate Fiscal Agency
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BILL



ANALYSIS

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House Bill 5805 (as reported without amendment)
Sponsor: Representative Lisa Posthumus Lyons
First House Committee: Health Policy
Second House Committee: Insurance
Senate Committee: Insurance

CONTENT

The bill would create the "Health Care Sharing Ministries Freedom to Share Act" to allow an "eligible entity" (a faith-based, nonprofit entity with tax-exempt status under the Internal Revenue Code) to establish a health care sharing ministry through which participants could share finances and health care.

An eligible entity that established and operated a ministry in compliance with the Act would not be engaged in the business of insurance in Michigan, and the entity and ministry would not be subject to the State's insurance laws. To be considered a health care sharing ministry under the Act, the ministry would have to do all of the following:

- Limit participation to individuals who were of a similar faith.
- Provide that the ministry would act as a facilitator by matching its participants who had financial or medical needs with participants who had the ability to assist in meeting those needs according to criteria established by the eligible entity.
- Provide for the financial or medical needs of a participant through voluntary contributions by its participants.
- Provide amounts that participants could contribute with no assumption of risk or promise to pay among its participants.
- Provide financial assistance to participants who had financial or medical needs with no assumption of risk or promise to pay by the ministry to its participants.
- Provide a monthly written statement to participants that listed the total dollar amount of qualified financial or medical needs that were submitted to the ministry, as well as the amount actually published or assigned to participants for their contribution.

Also, with all applications and guidelines materials, the ministry would have to provide a written disclaimer that gave notice that the eligible entity was not an insurance company and the financial assistance provided through the ministry was not insurance; that assistance was totally voluntary; and that a participant who received assistance from the ministry for his or her financial or medical needs would remain personally responsible for the payment of all of his or her medical bills and other obligations incurred in meeting those needs.

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 12-5-12

Fiscal Analyst: Josh Sefton