HEALTH CARE SHARING MINISTRIES FREEDOM TO SHARE ACT
Act 530 of 2012

AN ACT to recognize the operation of health care sharing ministries by eligible entities; and to provide that entities that establish and operate health care sharing ministries are not engaging in the business of insurance.

History: 2012, Act 530, Eff. Jan. 1, 2013.

The People of the State of Michigan enact:

550.1861 Short title.

Sec. 1. This act shall be known and may be cited as the "health care sharing ministries freedom to share act".

History: 2012, Act 530, Eff. Jan. 1, 2013.

550.1863 Definitions.

Sec. 3. As used in this act:

(a) "Eligible entity" means a faith-based, nonprofit entity that maintains tax-exempt status under section 501(c) of the internal revenue code, 26 USC 501.

(b) "Health care sharing ministry" or "ministry" means a program established by an eligible entity for the sharing of finances and health care in compliance with this act.

History: 2012, Act 530, Eff. Jan. 1, 2013.

550.1865 Health care sharing ministry; establishment; operation; business of insurance prohibited.

Sec. 5. An eligible entity may establish and operate a health care sharing ministry under this act. An eligible entity that establishes and operates a health care sharing ministry in compliance with this act is not engaged in the business of insurance in this state and the entity and ministry are not subject to the insurance laws of this state.

History: 2012, Act 530, Eff. Jan. 1, 2013.

550.1867 Health care sharing ministry; requirements.

Sec. 7. To be considered a health care sharing ministry under this act, the ministry shall meet all of the following requirements:

(a) Limit participation in the ministry to individuals who are of a similar faith.

(b) Provide that the ministry act as a facilitator by matching its participants who have financial or medical needs with participants who have the ability to assist in meeting those needs according to criteria established for the ministry by the eligible entity.

(c) Provide for the financial or medical needs of a participant through voluntary contributions by its participants.

(d) Provide amounts that participants may contribute with no assumption of risk or promise to pay among its participants.

(e) Provide financial assistance to participants who have financial or medical needs with no assumption of risk or promise to pay by the ministry to its participants.

(f) Provide a monthly written statement to its participants that lists 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.

(g) Provide, in substantially similar form and language, the following written disclaimer on or accompanying all applications and guideline materials distributed by or on behalf of the ministry:

"Notice: The [insert name of eligible entity] that operates this health care sharing ministry is not an insurance company and the financial assistance provided through the ministry is not insurance and is not provided through an insurance company. Whether any participant in the ministry chooses to assist another participant who has financial or medical needs is totally voluntary. A participant will not be compelled by law to contribute toward the financial or medical needs of another participant. This document is not a contract of insurance or a promise to pay for the financial or medical needs of a participant by the ministry. A participant who receives assistance from the ministry for his or her financial or medical needs remains personally responsible for the payment of all of his or her medical bills and other obligations incurred in meeting his or her financial or medical needs.".

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History: 2012, Act 530, Eff. Jan. 1, 2013.

550.1869 Effective date.

Sec. 9. This act takes effect January 1, 2013.

History: 2012, Act 530, Eff. Jan. 1, 2013.

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