

Senate Bill 504

By: Senators Hill of the 32nd, Hudgens of the 47th, Goggans of the 7th, Seabaugh of the 28th, Rogers of the 21st and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 1 of Title 33 of the Official Code of Georgia Annotated, relating to  
2 insurance generally, so as to provide that a religious nonprofit organization which enters into  
3 a health care cost sharing arrangement with its members shall not be considered an insurance  
4 company, health maintenance organization, or health benefit plan of any class, kind, or  
5 character and shall not be subject to any laws related to such; to provide for definitions; to  
6 provide for related matters; to provide for applicability; to repeal conflicting laws; and for  
7 other purposes.

8 **SECTION 1.**

9 Chapter 1 of Title 33 of the Official Code of Georgia Annotated, relating to insurance  
10 generally, is amended by adding a new Code section to read as follows:

11 "33-1-19.

12 (a) As used in this Code section, the term:

13 (1) 'Health care cost sharing arrangement' means an arrangement between a religious  
14 nonprofit organization and members of such organization in which the religious  
15 nonprofit organization:

16 (A) Acts as an organizational clearinghouse for information between members or  
17 subscribers who have financial, physical, or medical needs and members or subscribers  
18 with the present ability to assist those with present financial or medical needs;

19 (B) Provides for the financial or medical needs of a member or subscriber through gifts  
20 directly from one member or subscriber to another, which may be accomplished by a  
21 trust established solely for the benefit of members or subscribers, which trust is audited  
22 annually by an independent auditing firm;

23 (C) Provides amounts that members or subscribers may give with no assumption of  
24 risk or promise to pay either among the members or subscribers or between the  
25 members or subscribers and such religious nonprofit organization;

26 (D) Provides a written monthly statement to all members or subscribers listing the total  
27 dollar amount of qualified needs submitted to such religious nonprofit organization, as

1 well as the amount actually published or assigned to members or subscribers for  
2 voluntary payment; and

3 (E) Provides the following written disclaimer in substantially the same form on or  
4 accompanying all promotional or informational documents distributed by or on behalf  
5 of the religious nonprofit organization, including applications and guideline materials:

6 'NOTICE: This publication is not an insurance policy nor is it offered through an  
7 insurance company. Whether anyone chooses to assist you with your medical bills  
8 will be totally voluntary, as no other subscriber or member will be compelled to  
9 contribute toward your medical bills. As such, this publication should never be  
10 considered to be insurance. Whether you receive any payments for medical expenses  
11 and whether or not this publication continues to operate, you are always personally  
12 responsible for the payment of your own medical bills.'

13 (2) 'Nonprofit organization' means a nonprofit corporation established under the laws of  
14 this state and qualified as exempt from federal income taxation under Section 501(c) of  
15 the Internal Revenue Code.

16 (b) A religious nonprofit organization which has entered into a health care cost sharing  
17 arrangement with its members shall not be considered an insurance company, health  
18 maintenance organization, or health benefit plan of any class, kind, or character and shall  
19 not be subject to any laws respecting insurance companies, health maintenance  
20 organizations, or health benefit plans of any class, kind, or character in this state or  
21 regulation under such laws, including, but not limited to, the provisions of this title, and  
22 shall not be subject to the jurisdiction of the Commissioner of Insurance."

## 23 SECTION 2.

24 All laws and parts of laws in conflict with this Act are repealed.