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HOUSE BILL 480

52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015

INTRODUCED BY

Alonzo Baldonado

AN ACT

RELATING TO INSURANCE; PROVIDING THAT A HEALTH CARE SHARING
MINISTRY IS NOT ENGAGING IN THE BUSINESS OF INSURANCE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of the New Mexico Insurance Code
is enacted to read:

"[NEW MATERIAL] HEALTH CARE SHARING MINISTRY.--

A. A health care sharing ministry shall not be
considered to be engaging in the business of insurance for
purposes of the Insurance Code.

B. As used in this section, "health care sharing
ministry" means a nonprofit faith-based organization that:

(1) is described in Section 501(c)(3) of the
federal Internal Revenue Code of 1986 and is exempt from
taxation under section 501(a) of that code;

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1 (2) limits its participants to those of a
2 similar faith;

3 (3) acts as a facilitator between participants
4 who have financial or medical needs and other participants with
5 the present ability to assist those in need in accordance with
6 criteria established by the health care sharing ministry; and

7 (4) provides for the financial or medical
8 needs of a participant through contributions from one
9 participant to another.

10 C. A health care sharing ministry may suggest
11 amounts that participants may contribute to other participants
12 with no assumption of risk or promise to pay on the part of the
13 participants or of the health care sharing ministry.

14 D. A health care sharing ministry shall:

15 (1) provide a written monthly statement to all
16 participants listing the total amount of qualified needs
17 submitted to the health care sharing ministry, as well as the
18 amount of contributions allocated to participants; and

19 (2) place a written disclaimer in ten point
20 bold-faced type on all applications and materials distributed
21 by or on behalf of the organization providing notice that:

22 (a) the organization is a health care
23 sharing ministry;

24 (b) the organization is not an insurance
25 company;

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1 (c) participation in the organization
2 should not be considered insurance;

3 (d) a participant is not required by
4 contract or law to assist any other participant with medical
5 bills; and

6 (e) neither receipt of assistance
7 through, nor participation in, the organization alters the
8 participant's legal responsibility for the participant's own
9 medical bills."