

Committee on Banking and Insurance

SB 660 — Florida Insurance Code Exemption for Nonprofit Religious Organizations

by Senator Brandes

The bill amends Florida’s statute governing health care sharing ministries to reflect changes in how the entities operate. A health care sharing ministry is a health care cost sharing arrangement among persons of similar and sincerely held beliefs, administered by a not-for-profit religious organization. Some health care sharing ministries act as a clearinghouse to allow one or more members to directly pay the medical expenses of another member. Other health care sharing ministries receive funds from members and use those funds to pay authorized medical expenses when members request payment. These entities are not insurance companies and are not regulated by the Office of Insurance Regulation.

Current law limits participation in a health care sharing ministry to those who share the same religion. The bill allows participation by those who “share a common set of ethical or religious beliefs.” The bill provides that the health care sharing ministry must provide for the financial, physical or medical needs of a participant through contributions from other participants. Current law requires the health care sharing ministry must provide for financial or medical needs by direct payments from one participant to another. The bill allows direct payments but also allows payments from a fund to a participant.

The bill requires the health care sharing ministry to provide monthly to the participants the amount of qualified needs actually shared in the previous month. It also requires the organization to conduct an annual audit performed by an independent certified public accounting firm in according with generally accepted accounting principles. The audit must be available to the public upon request or posted on the organization’s website.

The bill expands the required notice to participants that the health care sharing ministry is not an insurance company and no participant is required by law to assist others with medical expenses.

If approved by the Governor, these provisions take effect July 1, 2018.

Vote: Senate 37-0; House 89-27