

§ 58-49-12. Exceptions to jurisdiction; health care sharing organizations.

A health care sharing organization shall not be subject to the jurisdiction of the Commissioner and shall not be considered to be engaging in the business of providing health care benefits as long as the health care sharing organization does the following:

- (1) Maintains nonprofit entity status under the Internal Revenue Code.
- (2) Limits its participants to those who share similar interests as defined by the organization.
- (3) Provides for the financial or medical needs of a participant through contributions from one participant to another in accordance with criteria established by the health care sharing organization.
- (4) Provides amounts that participants may contribute with no assumption of risk or promise to pay among the participants and no assumption of risk or promise to pay by the health care sharing organization to the participants.
- (5) Publishes a written monthly statement to all participants that lists the total dollar amount of qualified needs submitted to the health care sharing organization, as well as the amount published or assigned to participants for their contribution.
- (6) Provides a written disclaimer on or accompanying all applications and guideline materials distributed by or on behalf of the organization that reads, in substance, as follows:

"NOTICE: The organization facilitating the sharing of medical expenses is not an insurance company and neither its guidelines nor its plan of operation is an insurance policy. Whether anyone chooses to assist you with your medical bills will be voluntary. No other participant will be compelled by law to contribute toward your medical bills. As such, participation in the organization or a subscription to any of its documents should never be considered to be insurance. Regardless of whether you receive any payment for medical expenses or whether this organization continues to operate, you are always personally liable for the payment of your own medical bills." (2011-103, s. 1.)