

House Bill 284

By: Representatives Camp of the 135<sup>th</sup>, Knight of the 134<sup>th</sup>, Cameron of the 1<sup>st</sup>, Mathiak of the 74<sup>th</sup>, Greene of the 154<sup>th</sup>, 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 general provisions for insurance, so as to change the definition of health care sharing  
3 ministry by revising requisite qualifications; to provide that such ministry is an organization  
4 and such organization's participants are members; to provide that such members share a  
5 common set of ethical or religious beliefs; to provide that such members may retain  
6 membership after developing a medical condition; to provide that such organization  
7 coordinates member contributions; to require such organization to provide certain statements  
8 at least quarterly to all members; to require such organization to conduct an annual audit and  
9 to make such audit available to the public; to amend Chapter 7 of Title 48 of the Official  
10 Code of Georgia Annotated, relating to income taxes, so as to provide that a taxpayer may  
11 deduct the full amount paid for shares as a member of a health care sharing organization from  
12 his or her Georgia taxable income; to provide for a definition; to disallow related deductions;  
13 to provide for an effective date and applicability; to repeal conflicting laws; and for other  
14 purposes.

15 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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16 **SECTION 1.**

17 Chapter 1 of Title 33 of the Official Code of Georgia Annotated, relating to general  
18 provisions for insurance, is amended by revising Code Section 33-1-20, related to health care  
19 sharing ministry, as follows:

20 "33-1-20.

21 (a) As used in this Code section, the term ~~'health care sharing ministry'~~ means a faith  
22 based, 'health care sharing organization' means a nonprofit organization which is described  
23 in Section 501(c)(3) and that is tax exempt under Section 501(a) of the Internal Revenue  
24 Code of 1986 and which:

25 (1) Limits its ~~participants~~ members to those who ~~are of a similar faith~~ share a common  
26 set of ethical or religious beliefs and share medical expenses among members in  
27 accordance with those beliefs;

28 (2) Allows members to retain membership even after they develop a medical condition;

29 ~~(2)(3)~~ (3) Acts as a facilitator among participants members who have financial or medical  
30 needs and matches those ~~participants~~ members with other ~~participants~~ members with the  
31 present ability to assist those with financial or medical needs in accordance with criteria  
32 established by the health care sharing ~~ministry~~ organization;

33 ~~(3)(4)~~ (4) Provides for the financial or medical needs of a participant member through the  
34 coordination of contributions from ~~one participant to another~~ other members;

35 ~~(4)(5)~~ (5) Provides amounts that participants members may contribute with no assumption  
36 of risk or promise to pay among the ~~participants~~ members and no assumption of risk or  
37 promise to pay by ~~the health care sharing ministry to the participants~~ such organization  
38 to the members;

39 ~~(5)(6)~~ (6) Provides a written monthly statement at least quarterly to all ~~participants~~ members  
40 that lists the total dollar amount of qualified needs submitted to ~~the health care sharing~~  
41 ~~ministry, as well as the amount actually published or assigned to participants for their~~  
42 contribution; and such organization and the total dollar amount of qualified needs actually

43 shared in the previous quarter, in accordance with criteria established by such  
44 organization;

45 (7) Conducts an annual audit which is performed by an independent certified public  
46 accounting firm in accordance with generally accepted accounting principles and which  
47 is made available to the public by providing a copy upon request or by posting on the  
48 health care sharing organization's website; and

49 ~~(6)~~(8) Provides a written disclaimer on or accompanying all applications and guideline  
50 materials distributed by or on behalf of the organization that reads, in substance: 'Notice:  
51 The organization facilitating the sharing of medical expenses is not an insurance  
52 company, and neither its guidelines nor plan of operation is an insurance policy. Whether  
53 anyone chooses to assist you with your medical bills will be totally voluntary because no  
54 other participant member will be compelled by law to contribute toward your medical  
55 bills. As such, participation membership in the organization or a subscription to any of  
56 its documents should never be considered to be insurance. Regardless of whether you  
57 receive any payment for medical expenses or whether this organization continues to  
58 operate, you are always personally responsible for the payment of your own medical  
59 bills.'

60 (b) A health care sharing ~~ministry~~ organization which has entered into a health care  
61 cost-sharing arrangement with its ~~participants~~ members shall not be considered an  
62 insurance company, health maintenance organization, or health benefit plan of any class,  
63 kind, or character and shall not be subject to any laws respecting insurance companies,  
64 health maintenance organizations, or health benefit plans of any class, kind, or character  
65 in this state or subject to regulation under such laws, including, but not limited to, the  
66 provisions of this title, and shall not be subject to the jurisdiction of the Commissioner of  
67 Insurance."

68 **SECTION 2.**

69 Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes,  
70 is amended in subsection (a) of Code Section 48-7-27, relating to computation of taxable net  
71 income, by deleting "and" at the end of paragraph (14), by replacing the period with "; and"  
72 at the end of paragraph (15), and by adding a new paragraph to read as follows:

73 "(16)(A) For all taxable years beginning on or after January 1, 2024, an amount equal  
74 to the amount which the taxpayer has paid during the taxable year as a member of a  
75 health care sharing organization, which shall only be deductible to the extent that such  
76 amount is not deducted on the taxpayer's federal income tax return in determining the  
77 taxpayer's federal taxable income for that taxable year.

78 (B) As used in this paragraph, the term 'health care sharing organization' shall have the  
79 same meaning as defined in subsection (a) of Code Section 33-1-20."

80 **SECTION 3.**

81 This Act shall become effective upon its approval by the Governor or upon its becoming law  
82 without such approval; provided, however, that Section 2 of this Act shall be applicable to  
83 taxable years beginning on or after January 1, 2024.

84 **SECTION 4.**

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