

Second Regular Session of the 121st General Assembly (2020)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2019 Regular Session of the General Assembly.

SENATE ENROLLED ACT No. 184

AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 27-1-2.2 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 2.2. Nonprofit Agricultural Organization Coverage

Sec. 1. As used in this chapter, "nonprofit agricultural organization" means an organization:

- (1) that is exempt from taxation under Section 501(c)(5) of the Internal Revenue Code;**
- (2) that is domiciled in Indiana;**
- (3) that was in existence before 1950; and**
- (4) the members of which include residents of every county in Indiana.**

Sec. 2. As used in this chapter, "nonprofit agricultural organization coverage" means health benefit coverage that is:

- (1) sponsored by:**
 - (A) a nonprofit agricultural organization; or**
 - (B) an affiliate of a nonprofit agricultural organization;**
- (2) offered only to:**
 - (A) members of the nonprofit agricultural organization; and**
 - (B) families of the members of the nonprofit agricultural organization;**

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(3) deemed by the nonprofit agricultural organization to be important in assisting its members to live long and productive lives; and

(4) offered to members of the nonprofit agricultural organization in every county in Indiana.

Sec. 3. Before an organization may offer health benefit coverage under this chapter, the organization must file with the insurance commissioner a certification that:

(1) the organization qualifies as a nonprofit agricultural organization under section 1 of this chapter; and

(2) the health benefit coverage that the organization will offer qualifies as nonprofit agricultural organization coverage under section 2 of this chapter.

Sec. 4. (a) Nonprofit agricultural organization coverage provided under this chapter:

(1) is not insurance;

(2) shall not be considered to be insurance under this title or any other provision of Indiana law; and

(3) is not subject to the regulatory authority of the department of insurance under this title or any other provision of Indiana law.

(b) Entering into a contract between a nonprofit agricultural organization and an individual for health coverage under this chapter does not constitute the business of insurance.

(c) A nonprofit agricultural organization providing coverage under this chapter is not required to obtain a certificate of authority under IC 27-1-3-20.

Sec. 5. A nonprofit agricultural organization offering coverage under this chapter shall annually file with the department of insurance a written, signed opinion of a qualified actuary that the plan reserves of the nonprofit agricultural organization and its affiliate are adequate and conform to the appropriate actuarial standards of practice.

Sec. 6. A nonprofit agricultural organization offering coverage under this chapter shall reinsure all or a portion of its risks under this coverage with a company authorized to transact reinsurance business or stop-loss insurance business in Indiana.

Sec. 7. A nonprofit agricultural organization offering coverage under this chapter shall adopt a complaint procedure that is materially similar to the procedure used by the department of insurance.

Sec. 8. (a) When an individual applies for health coverage



provided under this chapter, the nonprofit agricultural organization offering the health coverage shall inform the individual that the health coverage:

- (1) is not considered insurance; and
- (2) is not subject to the administrative rules of the department of insurance.

(b) An individual entering into a contract for health coverage under this chapter must acknowledge that the coverage:

- (1) is not considered insurance; and
- (2) is not subject to the administrative rules of the department of insurance.

(c) The acknowledgment required by subsection (b) must be in a writing signed by the individual. The nonprofit agricultural organization shall:

- (1) keep a copy of the written acknowledgment for the entire duration of the contract under which the individual is provided coverage under this chapter; and
- (2) provide a copy of the acknowledgment to the individual at the individual's request.

Sec. 9. An individual may not apply for health coverage provided under this chapter until the individual has been a member of the nonprofit agricultural organization offering the health coverage for at least thirty (30) days.

Sec. 10. Health coverage provided to an individual under this chapter:

- (1) must include coverage for:
 - (A) ambulatory patient services;
 - (B) hospitalization;
 - (C) emergency services; and
 - (D) laboratory services; and
- (2) may not be subject to an annual limit of less than two million dollars (\$2,000,000) per year.

Sec. 11. The provisions of this chapter are severable in the manner provided in IC 1-1-1-8(b).



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

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