



Health Care Sharing Ministries

Presenter:

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Department of Consumer
and Business Services

Agenda

- Health Care Sharing Ministries (HCSM)
 - Overview
 - Federal definition
- State regulatory authority
 - Division of Financial Regulation's (DFR) role
 - Recent enforcement actions
- Additional resources

HCSM overview

- HCSM plans are not health insurance
 - Members attest to sharing religious or ethical beliefs
- Payment of medical bills is not guaranteed
 - Members pool money and medical costs are voluntarily reimbursed
- Conditionally exempt from the Affordable Care Act
 - e.g., coverage of pre-existing conditions, essential health benefits, out-of-pocket maximums

HCSM definition

- Federal law defines HCSMs as:
 - Nonprofit organizations that are tax exempt
 - Members have common ethical or religious beliefs
 - Medical expenses are shared among members
 - In existence and operating continuously since 12/31/1999
 - Conduct an independent, annual audit made publicly available upon request

DFR's role with HCSMs

- Oregon law does not address or define HCSMs
 - DFR does not license HCSMs or review their rates or coverages
- Complaints about HCSMs would fall under DFR purview only under certain circumstances including:
 - Misrepresenting its products as health insurance
 - Selling insurance to Oregon consumers without a certificate of authority
 - Agents or brokers selling HCSM products without proper disclosure

DFR enforcement action

3 STATE OF OREGON
4 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
5 DIVISION OF FINANCIAL REGULATION

6 In the Matter of: Case No. INS-19-0109

7 THE ALIERA COMPANIES, INC.
8 FORMERLY KNOWN AS ALIERA
9 HEALTHCARE, INC., AND TRINITY
10 HEALTHSHARE, INC.
11 Respondents

12 **CONSENT ORDER AS AGAINST**
13 **THE ALIERA COMPANIES, INC.**
14 **FKA ALIERA HEALTHCARE, INC.**

15 On October 9, 2019, the Director of the Department of Consumer and Business
16 Services for the State of Oregon (“Director”), by and through the Oregon Division of
17 Financial Regulation (“Division”), acting in accordance with Oregon Revised Statutes
18 (“ORS”) chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748 and
19 750 (“Insurance Code”), issued an Order to Cease and Desist, Notice of Proposed License

Resources on HCSMS

- Colorado's statutory annual reporting
 - Health Care Sharing Plans and Arrangements in Colorado
- Government Accountability Office, 2023 report
 - Private Health Coverage: Information on Farm Bureau Health Plans, Health Care Sharing Ministries, and Fixed Indemnity Plans
- Georgetown University Center Health Insurance Reform, 2023 post
 - Health Care Sharing Ministry Data Point to Problems for Consumers, Regulators
- Commonwealth Fund, 2018 report
 - Health Care Sharing Ministries: What Are the Risks to Consumers and Insurance Markets?

Questions?

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