



March 27, 2018

Sen. Ann Cummings, Chair Committee on Finance

Sen. Mark MacDonald, Vice-Chair Finance

Members of the Finance Committee

RE: Testimony and Comments Requesting Suggested Amendments on H696

Samaritan Ministries is one of the largest sharing ministries among 1 million Americans using health care sharing nation-wide.

These religious ministries coordinate on a voluntary basis the sharing of medical expenses amongst their members along with members providing emotional and spiritual support to each other.

When the Affordable Care Act's individual insurance mandate was drafted, Congress recognized that these ministries were already meeting the health care financial needs of its members and providing a valuable service beyond financial. Therefore, the member of Health Care Sharing Ministries were exempted from the individual mandate at 26 U.S.C. 5000A(d)(2)(B).

Massachusetts had previously exempted members from its individual insurance mandate by way of regulation See 956 CMR 5.03(3)(a)3.

Now as more states are considering enacting their own individual insurance mandates they too are consistently following the pattern set by the ACA by exempting member of health care sharing ministries. See

Hawaii- SB2924 H.D 2, Section 2, subsection h.

Maryland- SB 1011, pg. 26, line 8.

New Jersey- SB 1877, section 2, lines 20-21

Washington - S6084, section 1, subsection 2, sub section 6 [Note- A task force for study has now been substituted for the text].

Vermont – H696 Introduced, Section 10456, subsection b.

As H696 is heard in committee, please consider re-adding the exemption that was included in the introduced version of H696:

(b)(1) An individual shall be exempt from the requirement to maintain minimum essential coverage and shall not be subject to a penalty under this chapter for any month if the individual is a member for the month of a health care sharing ministry.

(2) As used in this subsection, "health care sharing ministry" means an organization:

(A) that is described in 26 U.S.C. Section 501(c)(3) and is exempt from taxation under 26 U.S.C. Section 501(a);

(B) the members of which share a common set of ethical or religious beliefs and share medical expenses among members in accordance with those beliefs and without regard to the State in which a member resides or is employed;

(C) the members of which retain membership even after they develop a medical condition;

(D) that, or the predecessor of which, has been in existence at all times since December 31, 1999, and medical expenses of its members have been shared continuously and without interruption since at least December 31, 1999; and

(E) that conducts an annual audit that is performed by an independent certified public accounting firm in accordance with generally accepted accounting principles and that is made available to the public upon request.

This exemption is consistent with what the ACA and Mass. did, and what other states are proposing, as it relates to exempting health care sharing ministry members.

I appreciate the hard work you are both doing for the residents of Hawaii, and I thank you for your consideration of your residents that are members of a health care sharing ministry. If you have any questions about health care sharing or if I can assist in any way, please do not hesitate to contact me.

Thank-you

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