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Via Electronic Transmission

March 6, 2026

Vermont House of Representatives
115 State Street
Montpelier, VT 05633-5301

Dear Sir or Madame:

My name is Andrew Bernat, and I have the distinct honor of serving as the Lead Counsel of the Gospel Light Mennonite Church Medical Aid Plan operating under the tradename Liberty HealthShare ("Liberty HealthShare"). Liberty HealthShare is a 501(c)(3) Christian non-profit healthcare sharing ministry started in 1995 and our ministry includes over 40,000 members in all 50 states, including members in Vermont. I am writing to strongly oppose the provision in H.585 that requires the "Annual Reporting on Health Care Sharing Plans and Arrangements".

In Galatians 6:2, the Apostle Paul instructs believers to, "Bear one another's burdens, and so fulfill the law of Christ." II Corinthians 8:14 further explains, "At the present time our plenty will supply what they need, so that in turn their plenty will supply what you need." Upon these Scriptural commands, healthcare sharing ministries (including Liberty HealthShare) recruit, evangelize, and serve a distinct religious body whose members share directly in one another's spiritual, emotional, and financial needs (arising from disease and injury) via monthly solicitations and communications among the ministry and its member households. Healthcare sharing is not insurance. It is a religious practice grounded in Biblical teaching and is the method by which religiously like-minded members voluntarily share each other's health care costs. Healthcare sharing ministries merely facilitate voluntary sharing among their members.

The Annual Reporting provision in H.585 would require religious ministries to report intrusive and extensive information about their religious practices to the state on an annual basis. Such an intrusion of the state into the affairs of a religious ministry is simply not Constitutional. The Annual Reporting provision would violate several First Amendment rights of ministries and their members to be free from laws that target religious exercise. For example, the Annual Reporting provision would violate the autonomy of healthcare sharing ministries to be free from unwarranted state entanglement in their affairs and from forced disclosure of their affiliates and associates. A federal appeals court recently explained, regulatory schemes that require "long-term, continuing monitoring" of religious organizations constitute excessive entanglement with religion in violation of the Establishment Clause's protection of religious autonomy. *Medina v. Catholic Health Initiatives*, 877 F.3d 1213, 1233 (10th Cir. 2017).

As described above, most healthcare sharing ministries are religious organizations. To be sure, the federal tax exemptions held by most healthcare sharing ministries recognize them as religious organizations with all the rights and privileges afforded to religious organizations under federal law. Liberty HealthShare employs a full-time pastor and streams monthly worship services to its members in addition to facilitating the sharing of healthcare costs among its members. While the Annual Reporting provision in H.585 only applies to one type of religious organization – healthcare sharing ministries – one should consider how it might apply to a substantially similar type of religious organization – **churches**.

Were the Annual Reporting provision in H.585 apply to churches, it would require churches to disclose, on an annual basis: (1) the number of people who attended church services throughout the year, (2) the total number of people who attended any affiliated churches across the country, (3) the total amount the church collected in its offering baskets throughout the year, (4) a detailed report on how the church spent the amounts it collected in its offering baskets over the year, (5) the requests for support the church received from its members and from those in the community, (6) the amount of these requests for support that church met and the ones that were turned away, (7) a list of any vendors the church may have engaged and how much the church paid to them, (8) the number of people the church is anticipating will attend services in the upcoming year, (9) copies of any proselytization materials the church provides to the public encouraging people to attend services and become church members (including websites, flyers, membership applications, membership guidelines, and more), (10) a list of other names the church may have used together with any corporate affiliates, and (11) an organization chart showing the church leadership and employees.

Such an extensive and intrusive reporting provision imposed on churches would not be Constitutional. However, H.585 is attempting to mandate healthcare sharing ministries (another, very similar type of religious ministry) report substantially similar information to the state. Such a reporting regime simply will not pass Constitutional muster because of the extensive intrusion by the state into a religious organization and its religious activities.

Additionally, the Annual Reporting provision in H.585 would make Vermont an outlier in its approach to healthcare sharing ministries. A supermajority of states do not intrude upon the operations of health care sharing ministries. Thirty-four states have specifically enacted safe harbor laws clarifying in the insurance code that health care sharing ministries are not transacting in the business of insurance. None of these safe harbor laws require the types of extensive and intrusive reporting contemplated by H.585. An additional four states and the District of Columbia allow health care sharing ministries to operate exempt from the state insurance code by providing an exemption for their respective residents from those states' insurance mandates. Again, none of these mandate statutory exemption laws require the types of extensive and intrusive reporting contemplated by H.585. Only one state (Colorado) has enacted a reporting law for healthcare sharing ministries like the one proposed in H.585. And this Colorado law is currently being fiercely litigated in the federal courts on Constitutional grounds. We would anticipate similar federal court challenges to the Annual Reporting provision in H.585 were it to become law.



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In summary, our ministry continues to proudly serve the citizens of the great state of Vermont. We strongly oppose the Annual Reporting provision in H.585 because of the Constitutional violations we believe it has and the burdens it places on the religious ministries of certain Vermonters. Please remove this provision from H.585. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Andrew W Bernat".

Andrew W. Bernat
Lead Counsel
Liberty HealthShare
abernat@libertyhealthshare.org