



State of Tennessee

PUBLIC CHAPTER NO. 526

HOUSE BILL NO. 1163

By Representatives Todd, Hulsey, Sherrell, Slater, Shaw, Lafferty, Doggett, Howell,
Richey, Moody

Substituted for: Senate Bill No. 862

By Senators Reeves, Bowling, Hensley, Jackson, Pody, Stevens

AN ACT to amend Tennessee Code Annotated, Title 48 and Title 56, relative to health care.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. This act is known and may be cited as the "Healthcare Sharing Ministries Freedom to Share Act."

SECTION 2. Tennessee Code Annotated, Section 48-51-201, is amended by inserting the following as a new subdivision:

() "Healthcare sharing ministry" means a nonprofit corporation that:

(A) Is tax-exempt under the Internal Revenue Code of 1986 (26 U.S.C.);

(B) Limits its participants to those members who share a common set of ethical or religious beliefs;

(C) Acts as a facilitator among participants who have financial or medical needs to assist those with financial or medical needs in accordance with criteria established by the healthcare sharing ministry;

(D) Provides for the financial or medical needs of a participant through contributions from other participants;

(E) Provides amounts that participants may contribute with no assumption of risk or promise to pay among the participants, and no assumption of risk or promise to pay by the healthcare sharing ministry to the participants;

(F) Provides monthly to the participants the total dollar amount of qualified needs actually shared during the previous month in accordance with criteria established by the healthcare sharing ministry;

(G) 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 by providing a copy upon request or by posting on the organization's website; and

(H) Provides a written disclaimer on or accompanying all applications and guideline materials distributed by or on behalf of the organization that is substantially similar to the following:

Notice: The organization facilitating the sharing of medical expenses is not an insurance company, and neither its guidelines nor plan of operation is an insurance policy. Whether anyone chooses to assist you with your medical bills will be totally voluntary because no other participant will be compelled by law to contribute toward your medical bills. As such, participation in the organization or a subscription to any of its documents should never be considered to be insurance. Regardless of whether you receive any payments for medical expenses or whether this

HB1163

organization continues to operate, you are always personally responsible for the payment of your own medical bills.

SECTION 3. Tennessee Code Annotated, Title 56, Chapter 7, Part 1, is amended by adding the following as a new section:

For purposes of this title, a healthcare sharing ministry, as defined in § 48-51-201, is not considered to be engaging in the business of insurance.

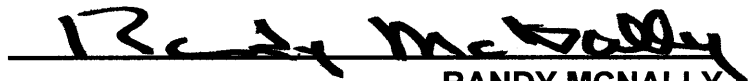
SECTION 4. This act takes effect upon becoming a law, the public welfare requiring it.

HOUSE BILL NO. 1163

PASSED: February 15, 2024



CAMERON SEXTON, SPEAKER
HOUSE OF REPRESENTATIVES



RANDY MCNALLY
SPEAKER OF THE SENATE

APPROVED this 7th day of March 2024



BILL LEE, GOVERNOR