

## Insurance and Real Estate Committee JOINT FAVORABLE REPORT

**Bill No.:** SB-1041

AN ACT CONCERNING HEALTH CARE SHARING PLANS AND HEALTH CARE

**Title:** SHARING MINISTRIES.

**Vote Date:** 3/22/2021

**Vote Action:** Joint Favorable

**PH Date:** 3/18/2021

**File No.:**

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### SPONSORS OF BILL:

Insurance and Real Estate Committee

### REASONS FOR BILL:

The bill provides that: (1) No person shall receive a fee or anything of value in exchange for (A) selling or soliciting a health care sharing plan for a resident of this state, (B) negotiating a health care sharing plan on behalf of a resident of this state, or (C) administering a health care sharing plan that includes a resident of this state; (2) certain prohibited transactions with, or on behalf of, health care sharing plans violate the Connecticut Unfair Insurance Practices Act; and (3) no person licensed by the Insurance Department shall conduct any business with, or conduct any act requiring a license issued by the department on behalf of, a health care sharing ministry or health care sharing plan. The proposed bill will protect consumers from being taken advantage of by companies that trick consumers into paying for insurance with no promise of coverage.

### RESPONSE FROM ADMINISTRATION/AGENCY:

**Ted Doolittle, Connecticut Healthcare Advocate, Office of the Healthcare Advocate:** Mr. Doolittle testified that although he agrees with the idea of limiting health care sharing plans and ministries (HCSP and HCSM), he does not support the bill as it stands. He states that the bill, as written, prevents consumers from consulting insurance brokers, rather than restricting HCSPs and HCSMs themselves

### NATURE AND SOURCES OF SUPPORT:

**Connecticut State Medical Society:** CSMS testified that health care sharing plans and ministries (HCSP and HCSM) are unregulated by the state, and often trick consumers into believing they have health insurance, when in actuality many, if not all, of their medical bills can go unreimbursed because HCSPs and HCSMs do not guarantee coverage.

## **NATURE AND SOURCES OF OPPOSITION:**

**Alise P. Connecticut Resident:** She testified that share healthcare insurance benefits those who cannot afford commercial insurance.

**Thomas Balzamo, Pastor:** Mr. Balzamo testified that SB 1041 would make operating health care sharing ministries (HCSM) in Connecticut almost impossible, and therefore place undue hardship on people, such as small-church pastors, who rely on HCSMs.

**Leah Berez, Connecticut Resident:** Ms. Berez testified that health care sharing ministries are a blessing, and SB 1041 will severely and negatively impact herself and many other families.

**John Burchard, Connecticut Resident:** Mr. Burchard testified that health care sharing ministries (HCSM) should not be confused with insurance, and asks committee members not to pass this bill as it will restrict HCSMs.

**Eunice Bossom, Connecticut Resident:** Ms. Bossom testified that health care sharing ministries are not only cheaper than traditional insurance, but they allow members to know what their money is going towards. Ms. Bossom testified that SB 1041 will take away religious freedoms. She states that due to Connecticut legislation attacking her religious freedoms, she and her husband will be moving to Florida after 20 years in Connecticut.

**Buddy Combs, Interim CEO, OneShare Health:** Mr. Combs testified that although they agree with concerns of bad actors pretending to be health care sharing ministries (HCSM), SB 1041 would impose difficult limitations which violate the religious rights of Connecticut constituents who wish to be a part of HCSMs.

**Stefanie Cramer, Connecticut Resident:** Ms. Cramer testified her opposition to SB 1041.

**Alicia Fernandez, Connecticut Resident:** Ms. Fernandez testified that health care sharing ministries (HCSM) have helped her family and many others, and if SB 1041 passes, she and her family may be forced to leave Connecticut. She stated that she would support language changes which protect consumers while still allowing HCSMs to operate.

**Bruce and Laura Gottier, Connecticut Residents:** Mr. and Mrs. Gottier testified that as self-employed operators of a small business, they rely on health care sharing ministries, and that passing SB 1041 would worsen the financial struggles already brought on by the pandemic.

**Marianne Gustafson, Connecticut Resident:** Ms. Gustafson testified that families understand what is and is not covered in health care sharing plans and that SB 1041 will assault and limit religious freedoms and choices of the people of Connecticut.

**Ronald Hocutt, Connecticut Resident:** Mr. Hocutt testified that health care sharing ministries (HCSM) work well and do not need to be fixed. He suggests that legislators work with HCSMs to draft a bill which achieves the desired goal without destroying HCSMs.

**Martin Hoyt, Christian Healthcare Ministries:** Mr. Hoyt opposes SB 1041 as written, but would support with an added amendment to clarify that Section 2(b) does not refer to salaried persons employed by the sharing ministry who do not receive compensation for enrolling new members. This amendment would protect consumers while allowing health care sharing ministries to continue operating.

**Wayne and Karen Hutton, Connecticut Residents:** Mr. and Mrs. Hutton testified that health care sharing ministries (HCSM) should not be treated as insurance. They stated that their costs have been greatly reduced since joining a HCSM and that they would support a bill which protects consumers if it allows HCSMs to continue operation.

**Lisa Kane, Connecticut Resident:** Ms. Kane testified that the government should have nothing to do with the process of people helping people, and that SB 1041 is a bill which works against the people.

**C. Marcella Kurowski, Connecticut Resident:** Ms. Kurowski testified that citizens need options to make life affordable.

**Naomi Lieber, Connecticut Resident:** Ms. Lieber testified that health care sharing ministries are more affordable than traditional insurance and that the ministries are clear about what consumers are signing up for when they enroll.

**Lorie C. Connecticut Resident:** She testified that what people participate in is their business and the government should not try to restrict choice.

**Matt G. Connecticut Resident:** He testified that being a member of a health care sharing ministry (HCSM) has helped his family immensely and saved them money. He urges legislators to work with HCSMs to protect consumers while saving HCSMs.

**Brad Nail, Alliance of Healthcare Sharing Ministries:** Mr. Nail testified that while he supports the intention of SB 1041, the bill as written is too broad and would eliminate the availability of health care sharing ministries in Connecticut altogether. He states that the Alliance would work with the committee to narrow the scope of the bill.

**Joel Noble, Director of Public Policy, Samaritan Ministries International:** Mr. Noble testified that while he supports the intention of SB 1041, the bill as written would make it impossible for health care sharing ministries to operate in Connecticut, which would affect many families.

**Meredith Obreiter, Connecticut Resident:** Ms. Obreiter testified that health care sharing ministries are vital to residents and that SB 1041 is another step to further the mass exodus out of Connecticut.

**Patty G. Connecticut Resident:** She testified that participation in health care sharing ministries (HCSM) has helped her family and that the government should not interfere in medical affairs. She would support an amendment to protect consumers while allowing HCSMs to continue operation.

**Rodrigue Planck, Connecticut Resident:** Mr. Planck testified that the costs of traditional insurance would cause him to lose his home if SB 1041 is passed. He believes that this bill is targeting Christians.

**Martin Shott, Connecticut Resident:** Mr. Shott testified that he tries to be a productive citizen of Connecticut and that SB 1041 would strip away his personal freedoms.

**Kelsey Skidd, Connecticut Resident:** Ms. Skidd testified that participation in a health care sharing ministry has saved her family tens of thousands of dollars, and she hopes legislators will not seek to undermine the operation of these ministries.

**Robert M. Storm, Connecticut Resident:** Mr. Storm testified that SB 1041 should be withdrawn or amended.

**Gilbert Tartaglino, Connecticut Resident:** Mr. Tartaglino testified that the coverage provided by health care sharing ministries (HCSM) is exceptional and the cost is affordable. He urges legislators to work with HCSMs to provide consumer protection while allowing HCSMs to continue operation.

**Randall Varga, Connecticut Resident:** Mr. Varga testified that passing SB 1041 will have a terrible impact on Connecticut families. He also stated that health care sharing ministries are not insurance and therefore should not be subjected to insurance regulations.

**Jared Wolff, Connecticut Resident:** Mr. Wolff testified that as a self-employed person, health care sharing ministries allow him access to healthcare he could not otherwise afford.

**Richard J. Zablocki, Connecticut Resident:** Mr. Zablocki testified that as a small-business owner, health care sharing ministries are his only option for healthcare, as he cannot afford traditional insurance. He states that closing down an industry because of a few bad apples is unjust.

**Reported by: Mallory Ferrick**

**Date: March 30,2021**