

1 **Health Care Sharing Ministry Amendments**

2026 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Nelson T. Abbott**

Senate Sponsor:

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**LONG TITLE****General Description:**

This bill addresses disclosure requirements for a health care sharing ministry.

**Highlighted Provisions:**

This bill:

- 8 ▶ requires a health care sharing ministry to include a notice informing consumers that the
- 9 health care sharing ministry is not health insurance and is not obligated to pay medical
- 10 bills.

**Money Appropriated in this Bill:**

12 None

**Other Special Clauses:**

14 None

**Utah Code Sections Affected:**

## 16 AMENDS:

17 **31A-1-103**, as last amended by Laws of Utah 2025, Chapters 175, 187

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19 *Be it enacted by the Legislature of the state of Utah:*

20 Section 1. Section **31A-1-103** is amended to read:

**31A-1-103 . Scope and applicability of title.**

22 (1) This title does not apply to:

23 (a) a retainer contract made by an attorney-at-law:

24 (i) with an individual client; and

25 (ii) under which fees are based on estimates of the nature and amount of services to  
26 be provided to the specific client;

27 (b) a contract similar to a contract described in Subsection (1)(a) made with a group of  
28 clients involved in the same or closely related legal matters;

29 (c) an arrangement for providing benefits that do not exceed a limited amount of  
30 consultations, advice on simple legal matters, either alone or in combination with

- referral services, or the promise of fee discounts for handling other legal matters;
- (d) limited legal assistance on an informal basis involving neither an express contractual obligation nor reasonable expectations, in the context of an employment, membership, educational, or similar relationship;
- (e) legal assistance by employee organizations to their members in matters relating to employment;
- (f) death, accident, health, or disability benefits provided to an individual by an organization or the organization's affiliate if:
- (i) the organization is tax exempt under Section 501(c)(3) of the Internal Revenue Code and has had the organization's principal place of business in Utah for at least five years;
- (ii) the individual is not an employee of the organization; and
- (iii)(A) substantially all the individual's time in the organization is spent providing voluntary services:
- (I) in furtherance of the organization's purposes;
- (II) for a designated period of time; and
- (III) for which no compensation, other than expenses, is paid; or
- (B) the time since the service under Subsection (1)(f)(iii)(A) was completed is no more than 18 months; or
- (g) a prepaid contract of limited duration that provides for scheduled maintenance only.
- (2)(a) This title restricts otherwise legitimate business activity.
- (b) What this title does not prohibit is permitted unless contrary to other provisions of Utah law.
- (3) Except as otherwise expressly provided, this title does not apply to:
- (a) those activities of an insurer where state jurisdiction is preempted by Section 514 of the federal Employee Retirement Income Security Act of 1974, as amended;
- (b) ocean marine insurance;
- (c) death, accident, health, or disability benefits provided by an organization that:
- (i) has as the organization's principal purpose to achieve charitable, educational, social, or religious objectives rather than to provide death, accident, health, or disability benefits;
- (ii) does not incur a legal obligation to pay a specified amount;
- (iii) does not create reasonable expectations of receiving a specified amount on the part of an insured person; and

- 65 (iv) is not a health care sharing ministry that provides that a participant make a  
66 contribution to pay another participant's qualified expenses with no assumption of  
67 risk or promise to pay[.] ;  
68 (d) other business specified in rules adopted by the commissioner on a finding that:  
69 (i) the transaction of the business in this state does not require regulation for the  
70 protection of the interests of the residents of this state; or  
71 (ii) it would be impracticable to require compliance with this title;  
72 (e) except as provided in Subsection (4), a transaction independently procured through  
73 negotiations under Section 31A-15-104;  
74 (f) self-insurance;  
75 (g) reinsurance;  
76 (h) subject to Subsection (5), an employee or labor union group insurance policy  
77 covering risks in this state or an employee or labor union blanket insurance policy  
78 covering risks in this state, if:  
79 (i) the policyholder exists primarily for purposes other than to procure insurance;  
80 (ii) the policyholder:  
81 (A) is not a resident of this state;  
82 (B) is not a domestic corporation; or  
83 (C) does not have the policyholder's principal office in this state;  
84 (iii) no more than 25% of the certificate holders or insureds are residents of this state;  
85 (iv) on request of the commissioner, the insurer files with the department a copy of  
86 the policy and a copy of each form or certificate; and  
87 (v)(A) the insurer agrees to pay premium taxes on the Utah portion of the insurer's  
88 business, as if the insurer were authorized to do business in this state; and  
89 (B) the insurer provides the commissioner with the security the commissioner  
90 considers necessary for the payment of premium taxes under Title 59, Chapter 9,  
91 Taxation of Admitted Insurers;  
92 (i) to the extent provided in Subsection (6):  
93 (i) a manufacturer's or seller's warranty; and  
94 (ii) a manufacturer's or seller's service contract;  
95 (j) except to the extent provided in Subsection (7), a public agency insurance mutual;  
96 (k) except as provided in Chapter 6b, Guaranteed Asset Protection Waiver Act, a  
97 guaranteed asset protection waiver; or  
98 (l) a health care sharing ministry, if the health care sharing ministry:

- 99 (i) provides to each participant upon enrollment and annually thereafter a written  
100 statement of nationwide data from the preceding calendar year that lists the total  
101 dollar amount of contributions provided to participants toward qualified expenses;[  
102 and]  
103 (ii) includes a written disclaimer, titled "Notice", on or with each application and all  
104 guideline materials that states:  
105 (A) the health care sharing ministry is not an insurance company;  
106 (B) nothing the health care sharing ministry offers or provides is an insurance  
107 policy, including the health care sharing ministry's guidelines or plan of  
108 operations;  
109 (C) participation in the health care sharing ministry is entirely voluntary and no  
110 participant is compelled by law to contribute to another participant's expenses;  
111 (D) participation in the health care sharing ministry or subscription to any of the  
112 health care sharing ministry's services is not insurance; and  
113 (E) each participant is always personally responsible for the participant's expenses  
114 regardless of whether the participant receives payment for the expenses  
115 through the health care sharing ministry or whether this health care sharing  
116 ministry continues to operate[.] ; and  
117 (iii) includes a written notice on all contracts and advertising materials, with larger  
118 font than any other font in the material, that states, "This is not insurance. This  
119 contract does not obligate us to pay your medical bills."  
120 (4) A transaction described in Subsection (3)(e) is subject to taxation under Section  
121 31A-3-301.  
122 (5)(a) After a hearing, the commissioner may order an insurer of certain group insurance  
123 policies or blanket insurance policies to transfer the Utah portion of the business  
124 otherwise exempted under Subsection (3)(h) to an authorized insurer if the contracts  
125 have been written by an unauthorized insurer.  
126 (b) If the commissioner finds that the conditions required for the exemption of a group  
127 or blanket insurer are not satisfied or that adequate protection to residents of this state  
128 is not provided, the commissioner may require:  
129 (i) the insurer to be authorized to do business in this state; or  
130 (ii) that any of the insurer's transactions be subject to this title.  
131 (c) Subsection (3)(h) does not apply to a blanket insurance policy offering accident and  
132 health insurance.

133 (6)(a) As used in Subsection (3)(i) and this Subsection (6):

134 (i) "Manufacturer's or seller's service contract" means a service contract:

135 (A) made available by:

136 (I) a manufacturer of a product;

137 (II) a seller of a product; or

138 (III) an affiliate of a manufacturer or seller of a product;

139 (B) made available:

140 (I) on one or more specific products; or

141 (II) on products that are components of a system; and

142 (C) under which the person described in Subsection (6)(a)(i)(A) is liable for  
143 services to be provided under the service contract including, if the  
144 manufacturer's or seller's service contract designates, providing parts and labor.

145 (ii) "Manufacturer's or seller's warranty" means the guaranty of:

146 (A)(I) the manufacturer of a product;

147 (II) a seller of a product; or

148 (III) an affiliate of a manufacturer or seller of a product;

149 (B)(I) on one or more specific products; or

150 (II) on products that are components of a system; and

151 (C) under which the person described in Subsection (6)(a)(ii)(A) is liable for  
152 services to be provided under the warranty, including, if the manufacturer's or  
153 seller's warranty designates, providing parts and labor.

154 (iii) "Service contract" means the same as that term is defined in Section 31A-6a-101.

155 (b) A manufacturer's or seller's warranty may be designated as:

156 (i) a warranty;

157 (ii) a guaranty; or

158 (iii) a term similar to a term described in Subsection (6)(b)(i) or (ii).

159 (c) This title does not apply to:

160 (i) a manufacturer's or seller's warranty;

161 (ii) a manufacturer's or seller's service contract paid for with consideration that is in  
162 addition to the consideration paid for the product itself; and

163 (iii) a service contract that is not a manufacturer's or seller's warranty or  
164 manufacturer's or seller's service contract if:

165 (A) the service contract is paid for with consideration that is in addition to the  
166 consideration paid for the product itself;

- 167 (B) the service contract is for the repair or maintenance of goods;  
168 (C) the purchase price of the product is \$3,700 or less;  
169 (D) the product is not a motor vehicle; and  
170 (E) the product is not the subject of a home warranty service contract.
- 171 (d) This title does not apply to a manufacturer's or seller's warranty or service contract  
172 paid for with consideration that is in addition to the consideration paid for the product  
173 itself regardless of whether the manufacturer's or seller's warranty or service contract  
174 is sold:  
175 (i) at the time of the purchase of the product; or  
176 (ii) at a time other than the time of the purchase of the product.
- 177 (7)(a) For purposes of this Subsection (7):  
178 (i) "Public agency insurance mutual" means an entity:  
179 (A) formed by two or more political subdivisions or public agencies of the state[–]  
180 under Title 11, Chapter 13, Interlocal Cooperation Act; and  
181 (B) that issues an insurance policy, subject to Subsection (7)(b), or provides risk  
182 management, to a political subdivision or public agency in the state under Title  
183 11, Chapter 13, Interlocal Cooperation Act.  
184 (ii) "Reserve fund" means a fund established:  
185 (A) to fund a loss to a political subdivision's assets; and  
186 (B) by one or more political subdivisions for a purpose identified in Section  
187 63G-7-703.
- 188 (b) A public agency insurance mutual or reserve fund may not provide health insurance  
189 unless the public agency insurance mutual provides the health insurance using:  
190 (i) a third party administrator licensed under Chapter 25, Third Party Administrators;  
191 (ii) an admitted insurer; or  
192 (iii) a program authorized by Title 49, Chapter 20, Public Employees' Benefit and  
193 Insurance Program Act.
- 194 (c) A public agency insurance mutual or a reserve fund is exempt from this title except  
195 as provided in the provisions in Sections 31A-3-301 and 31A-3-303 describing the  
196 surplus lines tax that are applicable to a policyholder.
- 197 (d) A public agency insurance mutual or reserve fund is considered a governmental  
198 entity and political subdivision of the state with all of the rights, privileges, and  
199 immunities of a governmental entity or political subdivision of the state including all  
200 the rights and benefits of Title 63G, Chapter 7, Governmental Immunity Act of Utah.

201                   **Section 2. Effective Date.**

202                   This bill takes effect on May 6, 2026.