

Nelson T. Abbott proposes the following substitute bill:

**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:

▸ requires a health care sharing ministry to include a notice informing consumers that the health care sharing ministry is not health insurance and is not obligated to pay medical bills.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

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

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

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

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

(1) This title does not apply to:

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

(i) with an individual client; and

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

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

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

- 64 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  
91 9, 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 prominently written notice on all websites, applications, guideline
- 118 materials, and advertising materials distributed by or on behalf of the health care
- 119 sharing ministry that states, "This is not insurance. We are not obligated to pay
- 120 your medical bills."
- 121 (4) A transaction described in Subsection (3)(e) is subject to taxation under Section
- 122 31A-3-301.
- 123 (5)(a) After a hearing, the commissioner may order an insurer of certain group insurance
- 124 policies or blanket insurance policies to transfer the Utah portion of the business
- 125 otherwise exempted under Subsection (3)(h) to an authorized insurer if the contracts
- 126 have been written by an unauthorized insurer.
- 127 (b) If the commissioner finds that the conditions required for the exemption of a group
- 128 or blanket insurer are not satisfied or that adequate protection to residents of this state
- 129 is not provided, the commissioner may require:
- 130 (i) the insurer to be authorized to do business in this state; or
- 131 (ii) that any of the insurer's transactions be subject to this title.

- 132 (c) Subsection (3)(h) does not apply to a blanket insurance policy offering accident and  
133 health insurance.
- 134 (6)(a) As used in Subsection (3)(i) and this Subsection (6):
- 135 (i) "Manufacturer's or seller's service contract" means a service contract:
- 136 (A) made available by:
- 137 (I) a manufacturer of a product;
- 138 (II) a seller of a product; or
- 139 (III) an affiliate of a manufacturer or seller of a product;
- 140 (B) made available:
- 141 (I) on one or more specific products; or
- 142 (II) on products that are components of a system; and
- 143 (C) under which the person described in Subsection (6)(a)(i)(A) is liable for  
144 services to be provided under the service contract including, if the  
145 manufacturer's or seller's service contract designates, providing parts and labor.
- 146 (ii) "Manufacturer's or seller's warranty" means the guaranty of:
- 147 (A)(I) the manufacturer of a product;
- 148 (II) a seller of a product; or
- 149 (III) an affiliate of a manufacturer or seller of a product;
- 150 (B)(I) on one or more specific products; or
- 151 (II) on products that are components of a system; and
- 152 (C) under which the person described in Subsection (6)(a)(ii)(A) is liable for  
153 services to be provided under the warranty, including, if the manufacturer's or  
154 seller's warranty designates, providing parts and labor.
- 155 (iii) "Service contract" means the same as that term is defined in Section 31A-6a-101.
- 156 (b) A manufacturer's or seller's warranty may be designated as:
- 157 (i) a warranty;
- 158 (ii) a guaranty; or
- 159 (iii) a term similar to a term described in Subsection (6)(b)(i) or (ii).
- 160 (c) This title does not apply to:
- 161 (i) a manufacturer's or seller's warranty;
- 162 (ii) a manufacturer's or seller's service contract paid for with consideration that is in  
163 addition to the consideration paid for the product itself; and
- 164 (iii) a service contract that is not a manufacturer's or seller's warranty or  
165 manufacturer's or seller's service contract if:

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

200                   immunities of a governmental entity or political subdivision of the state including all  
201                   the rights and benefits of Title 63G, Chapter 7, Governmental Immunity Act of Utah.

202                   Section 2. **Effective Date.**

203                   This bill takes effect on May 6, 2026.