



[Health Share Transparency Act](#)

The Health Share Transparency Act would protect consumers from junk insurance and expand access to accurate, consistent information about Health Share options.

Health Shares are insurance-like entities that require members to cover the expenses of other members so long as they share a common set of religious beliefs. This limited form of health coverage began as a mutual aid practice among primarily Amish and Mennonite communities, but for-profit administrators have seized on legal loopholes to deceptively market health shares to broader audiences. Roughly 1.7 million Americans are now enrolled, and the industry has reported record revenue. However, many enrollees are unaware of the limited benefits and face life-threatening consequences if coverage is denied for vital medical procedures.

Health Shares have long maintained that they are not insurance and leveraged appeals to religion as veils to avoid criticism and regulation. Despite their inadequacies, Health Shares lobbied successfully for exemptions from the Affordable Care Act and state regulations. They are not required to comply with consumer protections, do not guarantee payment for medical claims, and [provide limited benefits](#) for their benefits. Recent data shows Health Shares deem only [half of members' health expenses](#) eligible for reimbursement. Many Health Shares exclude coverage altogether for abortions, contraception, mental health, substance use disorders, chronic conditions, certain preexisting conditions, and even maternity care.

Although certain States and the FTC have taken legal action against Health Shares, their continued proliferation and increasing enrollment pose a threat to public health.

The Health Share Transparency Act will...

- **Empower consumers with the knowledge to distinguish between comprehensive, regulated health insurance products and Health Shares by requiring disclosures by Health Shares during the enrollment process.**
- **Provide new data for regulators to assess the threat Health Shares pose to Public Health including rates of service denials, enrollment, service area, average out of pocket expenses for Health Share Members, and the contents of complaints received by the Federal Trade Commission (FTC).**
- **Ensure health insurance brokers selling Health Shares inform consumers if they are eligible for better, more comprehensive forms of health coverage including the ACA, Medicaid, or Medicare, and accurately describe the scope of benefits provided by Health Shares.**

Section by Section Summary – Health Share Transparency Act

- **(b) Disclosure of Financial and Appeals Information**
 - Health shares must annually disclose to the Treasury Secretary, IRS, and Consumer Financial Protection Bureau, who must then publicly disclose online:
 - Financial reserves of the Health Share;
 - The ratio of dollars collected for health sharing vs. actually spent on medical;
 - The number of individuals enrolled in the health share;
 - Average out of pocket expenses per enrolled individual for items covered under the health share;
 - Area of operation;
 - Percent of claims denied;
 - Contact information for the Leadership of the Health Share;
 - A list of contracted health care providers for the Health Share;
 - Average reimbursement time after using a health care service.
- **(c) Disclosure of Information to Prospective and Current Enrollees**
 - All of the below information must be disclosed to consumers while enrolling, written in a large and legible manner, in multiple languages, and read aloud if enrolling over the phone:
 - How to file a complaint and appeal a denied claim;
 - Whether the Health Share forces arbitration in appealing a coverage determination;
 - An explicit explanation that the Health Share is not required to pay claims;
 - An explicit explanation of any lifetime caps on total reimbursement;
 - Average amount paid per Member to a Health Share annually;
 - Comparison of average paid for health services vs. shared amount;
 - A list of all items and services deemed ineligible for reimbursement;
 - A list of all requirements imposed on claims submitted for sharing;
- **(d) Entity Requirements (Brokers)**
 - Brokers must disclose to the individual if the individual they are enrolling is eligible for ACA tax credits;
 - If they are eligible for Medicaid/Medicare coverage;
 - An explanation of the benefits of Health Shares compared to traditional insurance;
 - An explanation that Health Shares are not insurance and do not guarantee payment of medical claims;
- **(e) Enforcement**
 - Penalty of \$100/day if a Health Share breaks any of the above-listed requirements
- **(f) Definitions**
 - Clarifies that for the purposes of the section, common terms used by health insurance but not necessarily by health shares can be determined by the Secretary, thereby avoiding a situation in which health shares avoid regulation by suggesting their equivalent terms preclude them from such regulation
- **(b) Disclosures by Federal Trade Commission Regarding Consumer Complaints**
 - FTC must disclose, twice a year, the number of consumer complaints regarding Health Shares, their contents, against whom the complaint was filed, and other details the FTC determines appropriate. The first disclosure will take place 90 days after enactment.