



Representative Adam Mathews
56th House District

House Insurance Committee
Sponsor Testimony – H.B. 474
June 12, 2024

Chair Lampton, Vice Chair Barhorst, Ranking Member Jarrells, and members of the House Insurance Committee, thank you for the opportunity to present sponsor testimony on House Bill 474. This straightforward bill will protect Ohioans who rely on healthcare-sharing ministries for healthcare by rightfully classifying, and therefore treating, them as the religious charities they are. This definition would thereby allow these ministries to operate as a method of health care coverage for our university students.

Healthcare sharing ministries (HCSMs) are faith-based, nonprofit membership organizations that facilitate the sharing of medical expenses between their members. They operate differently from the traditional commercial insurance paradigm due to their faith basis and 501(c)(3) status, leading so many Ohioans to choose them as an alternative to traditional insurance. Ensuring their safe operation in Ohio is vital to both our overall healthcare system and the free exercise of religion in our state.

This bill protects HCSMs and their members by creating a common definition by which HCSMs can be classified, rightfully regulating them as charities under the Attorney General rather than as insurance under the Department of Insurance, and allowing HCSM members who are students at a state institution of higher education to be exempted from such institution's health insurance requirement.

This bill codifies the legal protections under which HCSMs have been operating as well as expands the choice of how to cover the costs of health care to our university students. The Affordable Care Act recognized HCSMs as sufficiently structured to qualify as coverage for the sake of the individual mandate. As costs skyrocket, we should do everything we can to allow families and students cost-effective ways to meet their healthcare needs, as well as protect their rights of conscience.

While there is always difficulty in codifying established judicial precedent, this bill seeks to do so to provide clarity for all HCSMs as well as our universities so they can more readily ensure everyone can best comply with the law.

There is broad precedent for the adoption of this type of definition for HCSMs. 33 other states have already passed similar legislation to exempt HCSMs from their insurance codes, leaving

Ohio an outlier in not affording these protections. Similarly, universities are outliers in not recognizing HCSMs, as other non-student adults can make use of HCSMs and both meet their financial needs while aligning with both the federal requirement for healthcare coverage and their own moral code.

To join these states and protect Ohioans' healthcare and free exercise of religion, we therefore respectfully request favorable consideration of this bill, and we are happy to answer any questions the committee may have.