



Ohio House Insurance Committee
March 25, 2025
Opponent Testimony – HB 21
Leo Almeida, Ohio Government Relations Director, ACS CAN

Chairman Lampton, Vice Chair Criag, Ranking Member Tims, and members of the House Insurance Committee, I am Leo Almeida, Ohio Government Relations Director for the American Cancer Society Cancer Action Network (ACS CAN). On behalf of the over 76,000 Ohioans who will be diagnosed with cancer this year, ACS CAN opposes House Bill 21, which exempts health care sharing ministries from Ohio's insurance regulations. This bill would leave Ohioans, including cancer patients, exposed to medical and financial harm.

Health Care Sharing Ministries (HCSM) are programs under which members pay a monthly fee to cover the expenses of other members. However, as stipulated in HB 21, there is no requirement that an HCSM cover any medical expenses for its members.

As an organization committed to reducing death and suffering from cancer, we are concerned about this legislation for several reasons:

1. Inadequacy of coverage for cancer patients.

Ohio state law provides a number of protections important to cancer patients and to ensuring that insurance coverage in Ohio covers screenings and treatments for cancer. HCSMs don't have to follow consumer protection laws typical insurers have to follow. The Ohio Department of Commerce and Insurance Department has no power to help consumers with complaints and Ohioans have no meaningful appeals process. HCSMs do not have to comply with laws that require coverage of cancer screenings, place limits on out-of-pocket costs, and improve access to clinical trials and oral chemotherapy.

2. Ohioans enrolled in HCSMs can be left without coverage, face large costs, or be denied coverage.

HCSMs have no protections for people with pre-existing conditions. That means they can decline to cover members with a pre-existing condition. It also means they can decline to cover the person after they are diagnosed, based on medical history. In the past, we have seen situations where cancer patients faced large medical bills, because their cancer was considered a pre-existing condition. This is very concerning considering that 30% of Ohio adults under age 65 have a pre-existing condition.ⁱ

HCSMs do not have to comply with requirements that limit out-of-pocket costs for patients, could impose caps on coverage, or could exclude coverage of certain benefits, leaving Ohioans with potentially catastrophic costs if they get sick. HCSMs often require members to pay the full cost of their treatment up-front. Individuals then have to submit their medical bills to the

HCSM, which will decide whether to reimburse the individual. Through this practice individuals never know in advance how much of their medical bills will be covered, leaving them potentially vulnerable to incurring significant medical debt if the entity refuses to reimburse the individual for health care claims.

On March 17, 2025, this committee accepted an amendment to HB 21 that will require HCSMs to retain members if they develop a medical condition after being enrolled. This amendment resolves nothing. HCSMs will still be able to deny reimbursements to participants who develop a medical condition. There is no requirement in this bill for a person to receive any coverage for their medical expenses.

If an HCSM decides not to provide benefits to a person who is diagnosed with cancer, the person may be outside the time frame where they can purchase insurance on the Health Insurance Marketplace. They may have to delay treatment until the next time they can enroll in a comprehensive insurance plan.

3. Consumer confusion and potential for fraud.

HCSM programs often mimic health insurance in the way they are marketed to consumers.ⁱⁱ The marketing materials used by these programs often mirror language and practices similar to those used by insurance companies. One study of state insurance regulators found regulators expressing concern that “many HCSMs use features that are very similar to insurance and may therefore mislead consumers into thinking they are enrolling in coverage that guarantees payment for a covered claim.”ⁱⁱⁱ

HCSMs have a strong history of consumer fraud and abuse. The National Association of Insurance Commissioners and at least 15 states have issued warnings about the potential for fraudulent activity by HCSMs. Several states have taken legal action against HCSMs.^{iv} Since the beginning of 2020, five states – Colorado,^v Connecticut,^{vi} New Hampshire,^{vii} Texas,^{viii} and Washington^{ix} – have taken legal action against one HCSM over its deceptive marketing practices and fraudulent activities.

For these reasons, we urge you not to support HB 21 which will facilitate a tax deduction and other protections for these products despite language to exclude them from all other state insurance laws.

ⁱ Cynthia Cox, Gary Claxton, et al. “Pre-Existing Condition Prevalence for Individuals and Families,” KFF, January 13, 2020, <https://www.kff.org/health-reform/issue-brief/pre-existing-condition-prevalence-for-individuals-and-families/>.

ⁱⁱ Justin Giovannelli. Health Care Sharing Ministries. Presentation to the National Association of Insurance Commissioners Regulatory Framework (B) Task Force. Aug. 4, 2020. Available at

https://content.naic.org/sites/default/files/national_meeting/RFTF%20Meeting%20Materials%20Revised%208-3_0.pdf.

ⁱⁱⁱ JoAnn Volk, Emily Curran, Justin Giovannelli. Health Care Sharing Ministries: What Are the Risks to Consumers and Insurance Markets? The Commonwealth Fund. Aug. 8, 2018. Available at <https://www.commonwealthfund.org/publications/fund-reports/2018/aug/health-care-sharing-ministries>.

^{iv} Center for Health Insurance Reforms, The. "Health Care Sharing Ministry Data Point to Problems for Consumers, Regulators."

Chirblog, 3 Mar. 2025, <https://chirblog.org/health-care-sharing-ministry-data-point-to-problems-for-consumersregulators/#:~:>

text=Despite%20a%20history%20of%20fraud,cover%20members'%20health%20care%20bills; and <https://www.propublica.org/article/liberty-healthshare-healthcare-sharing-ministries-obamacare>

^v Colorado Department of Regulatory Agencies. Consumer Advisory: Cease and Desist Orders for Trinity Healthshare and Alieria Healthcare. Aug. 12, 2019. Available at

<https://www.colorado.gov/pacific/dora/news/consumer-advisory-cease-and-desist-orders-trinity-healthshare-and-aliera-healthcare> (issuing a cease and desist order for two HCSMs due to consumer complaints).

^{vi} State of Connecticut Insurance Department. Commissioner Mais takes action to protect consumers against unauthorized insurance company. Dec. 3, 2019. Available at <https://portal.ct.gov/CID/News-Releases/Press-Releases/Press-Releases-20191203> (citing one consumer complaint alleging nearly \$300,000 in unpaid claims).

^{vii} New Hampshire Insurance Department. Alieria Healthcare, Inc. operating as an unauthorized insurance company in New Hampshire. Oct. 30, 2019. Available at <https://www.nh.gov/insurance/media/pr/2019/documents/press-release-aliera-cease-desist-10-30-19.pdf> (citing dozens of complaints from consumers, some of whom believed they were buying health insurance and were unaware they had joined a health care sharing ministry).

^{viii} Texas Department of Insurance. State filed lawsuit against Alieria Healthcare. July 19, 2019. Available at <https://www.tdi.texas.gov/news/2019/tdi05172019-faq.html>.

^{ix} Office of the Insurance Commissioner. Consumer complaints lead Kreidler to halt sham health care sharing ministry. May 13, 2019. Available at [https://www.insurance.wa.gov/news/consumer-complaints-lead-kreidler-halt-sham-health-care-sharing-](https://www.insurance.wa.gov/news/consumer-complaints-lead-kreidler-halt-sham-health-care-sharing-ministry?utm_content=&utm_medium=email&utm_name=&utm_source=govdelivery&utm_term=)

[ministry?utm_content=&utm_medium=email&utm_name=&utm_source=govdelivery&utm_term=](https://www.insurance.wa.gov/news/consumer-complaints-lead-kreidler-halt-sham-health-care-sharing-ministry?utm_content=&utm_medium=email&utm_name=&utm_source=govdelivery&utm_term=) (citing consumer complaints from individuals who discovered they had joined a health care sharing ministry after their claims were denied because of medical conditions that were excluded as pre-existing conditions).