



INSURANCE AND SAFETY FIRE COMMISSIONER

- State of Georgia -

NEWS RELEASE

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HEALTH CARE SHARING MINISTRIES

ATLANTA – Commissioner of Insurance John F. King is advising all Georgians of the potential coverage and financial risks surrounding Health Care Sharing Ministries (“HCSMs”).

As the 2020 Open Enrollment Period for health insurance plans approaches, many individuals, families, and businesses might be looking for new coverage options outside of traditional health insurance. Before joining an HCSM, consumers should fully consider all options available to them.

HCSMs are organizations in which the members contractually agree to share the costs of health care and limit their participants to those of a similar faith. An HCSM acts as a facilitator among participants who have medical needs, matching those individuals with other members with the present ability to assist with paying for those medical needs. HCSMs do not guarantee the payment of a member’s claims. HCSMs cannot hold themselves out to the public as insurers.

Because lawful HCSMs are not insurers and do not provide health insurance, these plans do not contain common consumer protections required of traditional health insurance. While many HCSM members have benefited by sharing significant costs of care and treatment with other members, they are ultimately and legally responsible for the costs of their medical treatments.

The Georgia Department of Insurance has received complaints alleging HCSMs have denied coverage because of preexisting conditions or have refused to cover medical costs. These complaints indicate that some consumers mistakenly believe that by joining an HCSM, they have purchased an insurance product.

“While the law allows legitimate HCSMs to assist families with paying for medical needs, it is very important that you know exactly what you are signing up for,” said Commissioner King. “I came into office with the promise to protect Georgians. I want to make sure that bad actors do not turn a sound option for Georgia families into a nightmare.”

The Georgia Department of Insurance continues to investigate companies posing as HCSMs and will take appropriate action.

Commissioner King encourages concerned consumers to contact the Georgia Department of Insurance Consumer Services Division at 404-656-2070, or toll-free at 1-800-656-2298 for more information regarding health insurance.

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