

AMENDMENTS TO LB1313

Introduced by Dover, 19.

1 1. Strike the original section and insert the following new section:

2 Section 1. (1) A health benefit plan is not insurance and except as
3 provided in this section is not subject to any law regarding insurance
4 if:

5 (a) The health benefit plan provides health benefits under a self-
6 funded arrangement administered by an entity licensed as a third-party
7 administrator under the Third-Party Administrator Act; and

8 (b) The health benefit plan is sponsored by a nonprofit agricultural
9 organization or an affiliate of a nonprofit agricultural organization
10 that:

11 (i) Is domiciled in this state;

12 (ii) Was created primarily to promote programs for the development
13 of rural communities and the economic stability and sustainability of
14 farmers in this state pursuant to its articles of incorporation;

15 (iii) Provides membership opportunities for eligible persons in each
16 county of this state;

17 (iv) Collects annual dues from its members;

18 (v) Holds regular meetings to further the purposes of its members;

19 (vi) Provides its members with representation on its governing board
20 and any committees of such board; and

21 (vii) Contracts with the third-party administrator described in
22 subdivision (a) of this subsection for administration of the health
23 benefit plan.

24 (2) Before providing health benefits under a self-funded plan, an
25 organization shall file a certification with the Department of Insurance
26 verifying that the organization meets the requirements of this section.
27 Such certification shall be filed at a time and in a manner prescribed by

1 the Department of Insurance.

2 (3) The risk assumed by a health benefit plan under health care
3 benefit coverage under this section may be reinsured by a company
4 authorized to do business in this state.

5 (4) Any health benefit plan application for coverage and any
6 contract provided to a member shall prominently state the following:

7 (a) The health benefit plan is not insurance;

8 (b) The health benefit plan is not provided by an insurance company;

9 (c) The health benefit plan is not subject to the laws and rules
10 governing insurance; and

11 (d) The health benefit plan is not subject to the jurisdiction of
12 the Department of Insurance.