

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1313

Introduced by Dover, 19; Aguilar, 35; Albrecht, 17; Armendariz, 18; Ballard, 21; Blood, 3; Bosn, 25; Bostar, 29; Bostelman, 23; Brandt, 32; Brewer, 43; Clements, 2; Conrad, 46; Day, 49; DeBoer, 10; DeKay, 40; Dorn, 30; Dungan, 26; Fredrickson, 20; Halloran, 33; Hansen, 16; Hardin, 48; Holdcroft, 36; Hughes, 24; Ibach, 44; Jacobson, 42; Kauth, 31; Linehan, 39; Lippincott, 34; Lowe, 37; McDonnell, 5; McKinney, 11; Meyer, 41; Moser, 22; Murman, 38; Raybould, 28; Riepe, 12; Sanders, 45; Slama, 1; Vargas, 7; von Gillern, 4; Walz, 15; Wayne, 13; Wishart, 27.

Read first time January 17, 2024

Committee: Agriculture

- 1 A BILL FOR AN ACT relating to health benefit plans; to exempt certain
- 2 health benefit plans from insurance regulation.
- 3 Be it enacted by the people of the State of Nebraska,

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

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

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

10 (i) Is domiciled in this state;

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

14 (iii) Has been in existence for at least fifty continuous years
15 prior to the issuance of health benefits to members of the organization;

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

18 (v) Collects annual dues from its members;

19 (vi) Holds regular meetings to further the purposes of its members;

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

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

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

30 (3) The risk assumed by a health benefit plan under health care
31 benefit coverage under this section may be reinsured by a company

1 authorized to do business in this state.

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

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

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

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

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