

LEGISLATIVE BILL 1313

Approved by the Governor April 2, 2024

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.

A BILL FOR AN ACT relating to health benefit plans; to exempt certain health benefit plans from insurance regulation.

Be it enacted by the people of the State of Nebraska,

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

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

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

(i) Is domiciled in this state;

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

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

(iv) Collects annual dues from its members;

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

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

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

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

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

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

(a) The health benefit plan is not insurance;

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

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

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