

**WAC 284-43-8210 Definitions.** For the purposes of this subchapter:

(1) "Annual audit" means an audit occurring once a year at approximately the same time each year for the preceding calendar or fiscal year.

(2) "Continuously" means without a break or interruption.

(3) "Generally accepted accounting principles" means the compulsory accrual method of accounting for a public company.

(4) "Health care sharing ministry" means an organization:

(a) That is described in Section 501 (c)(3) of the Internal Revenue Code and is exempt from taxation under Section 501(a) of the Internal Revenue Code;

(b) That has members who share a common set of ethical or religious beliefs and share medical expenses among members in accordance with those beliefs and without regard to the state in which a member resides or is employed;

(c) Whose members retain membership in the health care sharing ministry even after the member develops a medical condition;

(d) Which, or a predecessor of which, has been in existence at all times since December 31, 1999, and medical expenses of its members have been shared continuously and without interruption since at least December 31, 1999; and

(e) That conducts an annual audit, which is performed by an independent certified public accounting firm in accordance with generally accepted accounting principles and which is made available to the public upon request.

(5) "Independent certified public accounting firm" means a certified public accounting firm licensed by state boards of accountancy, the District of Columbia or U.S. territories that meets the standards of independence set forth by the American Institute of Certified Public Accountants (AICPA), the Public Company Accounting Oversight Board (PCAOB), or another similar body that oversees or sets standards for the accounting or auditing professions.

(6) "Organization" means an entity organized as a corporation, a limited liability company (LLC), an unincorporated association, or a trust. Entities must be organized under United States federal or state law.

(7) "Predecessor" means an organization that was acquired, merged with, or otherwise replaced by a successor organization, and the predecessor organization no longer shares medical expenses.

(8) "Share medical expenses" means providing for the medical needs and financial needs related to medical expenses of a participant through member contributions.

[Statutory Authority: RCW 48.02.060, 48.17.005, and 48.15.015. WSR 22-17-001 (Matter R 2021-17), § 284-43-8210, filed 8/3/22, effective 9/3/22.]