

304.1-120 Application of code to particular types of organizations. (Effective January 1, 2027)

No provision of this code shall apply to:

- (1) Fraternal benefit societies (as identified in Subtitle 29), except as stated in Subtitle 29;
- (2) Nonprofit hospital, medical-surgical, dental, and health service corporations (as identified in Subtitle 32) except as stated in Subtitle 32;
- (3) Burial associations (as identified in KRS Chapter 303), except as stated in Subtitle 31;
- (4) Assessment or cooperative insurers (as identified in KRS Chapter 299), except as stated in KRS Chapter 299;
- (5) Insurance premium finance companies (as identified in Subtitle 30), except as stated in Subtitle 30;
- (6) Qualified organizations which issue charitable gift annuities within the Commonwealth of Kentucky. For the purposes of this subsection:
 - (a) A "qualified organization" means one which is:
 1. Exempt from taxation under Section 501(c)(3) of the Internal Revenue Code as a charitable organization, if it files a copy of federal form 990 with the Office of Consumer Protection in the Office of the Attorney General;
 2. Exempt from taxation under Section 501(c)(3) of the Internal Revenue Code as a religious organization; or
 3. Exempt as a publicly owned or nonprofit, privately endowed educational institution approved or licensed by the State Board of Education, the Southern Association of Colleges and Schools, or an equivalent public authority of the jurisdiction where the institution is located; and
 - (b) A "charitable gift annuity" means a giving plan or method by which a gift of cash or other property is made to a qualified organization in exchange for its agreement to pay an annuity;
- (7) A religious organization, as identified in this subsection, or its participants, that:
 - (a) Is a nonprofit religious organization;
 - (b) Is limited to participants who are members of the same denomination or religion;
 - (c) Matches its participants who have financial, physical, or medical needs with participants who choose to assist with those needs;
 - (d)
 1. Includes the following notice for delivery to all participants, printed in not less than ten (10) point, bold-faced type on or accompanying all applications, guideline materials, or any similar documents:
"NOTICE: UNDER KENTUCKY LAW, THE RELIGIOUS ORGANIZATION FACILITATING THE SHARING OF MEDICAL EXPENSES IS NOT AN INSURANCE COMPANY, AND ITS GUIDELINES, PLAN OF OPERATION, OR ANY OTHER

DOCUMENT OF THE RELIGIOUS ORGANIZATION DO NOT CONSTITUTE OR CREATE AN INSURANCE POLICY. PARTICIPATION IN THE RELIGIOUS ORGANIZATION OR A SUBSCRIPTION TO ANY OF ITS DOCUMENTS SHALL NOT BE CONSIDERED INSURANCE. ANY ASSISTANCE YOU RECEIVE WITH YOUR MEDICAL BILLS WILL BE TOTALLY VOLUNTARY. NEITHER THE ORGANIZATION OR ANY PARTICIPANT SHALL BE COMPELLED BY LAW TO CONTRIBUTE TOWARD YOUR MEDICAL BILLS. WHETHER OR NOT YOU RECEIVE ANY PAYMENTS FOR MEDICAL EXPENSES, AND WHETHER OR NOT THIS ORGANIZATION CONTINUES TO OPERATE, YOU SHALL BE PERSONALLY RESPONSIBLE FOR THE PAYMENT OF YOUR MEDICAL BILLS."

2. A participant shall acknowledge receipt of the "Notice" by signing below the "Notice" on the application; and
 - (e) Suggests amounts to give that are voluntary among the participants, with no assumption of risk or promise to pay either among the participants or between the participants and the organization;
- (8) A public or private ambulance service licensed and regulated by the Cabinet for Health and Family Services to the extent that it solicits membership subscriptions, accepts membership applications, charges membership fees, and furnishes prepaid or discounted ambulance services to subscription members and designated members of their households;
- (9) A direct primary care agreement established under KRS 311.6201, 311.6202, 314.198, and 314.199; or
- (10) A vehicle financial protection product as defined in KRS 367.702.

Effective: January 1, 2027

History: Amended 2026 Ky. Acts ch. 16, sec. 10, effective January 1, 2027. -- Amended 2024 Ky. Acts ch. 112, sec. 13, effective April 5, 2024. -- Amended 2017 Ky. Acts ch. 25, sec. 3, effective June 29, 2017. -- Amended 2013 Ky. Acts ch. 132, sec. 1, effective June 25, 2013. -- Amended 2005 Ky. Acts ch. 99, sec. 577, effective June 20, 2005. -- Amended 2002 Ky. Acts ch. 105, sec. 33, effective July 15, 2002. - - Amended 1994 Ky. Acts ch. 358, sec. 27, effective July 15, 1994; and ch. 449, sec. 1, effective July 15, 1994. -- Amended 1992 Ky. Acts ch. 199, sec. 1, effective July 14, 1992. -- Amended 1986 Ky. Acts ch. 200, sec. 1, effective July 15, 1986. -- Amended 1982 Ky. Acts ch. 209, sec. 4, effective July 25, 1982; and ch. 320, sec. 2, effective July 15, 1982. -- Amended 1980 Ky. Acts ch. 135, sec. 32, effective July 15, 1980. -- Amended 1978 Ky. Acts ch. 108, sec. 1, effective June 17, 1978. -- Created 1970 Ky. Acts ch. 301, subtit. 1, sec. 12, effective June 18, 1970.

Legislative Research Commission Note (1/1/2027). 2026 Ky. Acts ch. 16, sec. 24, provides that the amendments to this statute in that Act shall apply to vehicle financial protection products that become effective on or after January 1, 2027.

Legislative Research Commission Note (6/25/2013). The reviser of statutes has modified the subdivision of subsection (7) of this statute from the way it appeared in 2013 Ky. Acts ch. 132, sec. 1, under the authority of KRS 7.136(1)(a) and (c).