Medi-Share Offers Christians a Unique Health Insurance Alternative

The nationwide gruop has 13,000 member-households, but at least one state has blocked its operation

Tom Mabe and his wife, Stephenie, were in the middle of a move from Luverne, Minn., to the Minneapolis area when Tom suffered a near life-ending heart attack at age 49. Tom was on his way to accept a new pastorate at a Minneapolis church, but his life was put on hold by heart failure.

Fortunately, the Mabes' lives were not destroyed financially by the more than $150,000 in medical bills Tom accrued during a lengthy recovery that included delicate surgery, six weeks in the hospital and two months of rehabilitation.

That's because in 1998, the Mabes, who could not afford the high cost of today's health insurance premiums, joined Medi-Share, a nationwide Christian group whose 13,000 member-households pay a monthly fee that helps pay one another's medical bills. The Mabes' total out-of-pocket expense was a mere $250 deductible, and all of Tom's bills were paid by Medi-Share.

But Medi-Share is not insurance, and that has drawn some regulatory curiosity from several states.

Since its inception in 1993, Medi-Share has helped thousands of Christians pay millions of dollars in medical bills, according to Executive Director John Reinhold. The group is part of the Melbourne, Fla.,-based Christian Care Ministry and was formed by Reinhold and other businessmen and ministry leaders who were concerned that many Christians could no longer afford insurance and faced financial ruin if a serious accident or illness came along.

According to Reinhold, a former insurance company executive, the cost of healthcare in the United States is skyrocketing with no end in sight. He said about $1.5 trillion will be spent on healthcare this year. By 2010 that figure is expected to double to about $2.6 trillion. The bottom line is higher costs for consumers, especially those who pay their own health coverage.

“More and more of these folks are saying they just can’t afford it,” said Reinhold, adding that about 43 percent of its members are clergy or missionaries. The rest are small-business owners or self-employed workers.

Reinhold says Medi-Share is not an insurance company but a nonprofit ministry. This means they can reserve membership to churchgoing Christians who don’t smoke, abuse drugs or alcohol, and who don’t engage in homosexuality, adultery or premarital sex.

Members pay a monthly fee, or “share,” based on family size. For example, depending on the plan they sign up for, a family of three or more would pay $173 or $281. A single person would pay $87 or $114.

Members are sent a monthly “sharing notice,” that notifies them of who their payment is going to and what their medical condition is so they can pray for them. Often people end up sending, even phoning, get-well support

Medi-Share isn’t the first Christian organization that “shares” members’ medical needs by paying medical costs funded by members’ subscriber fees. Christian Brotherhood Newsletter was started by Bruce Hawthorn in 1982 and today handles millions of dollars in medical bills for an estimated 40,000 subscribers in the United States. Hawthorn was placed on leave by Christian Brotherhood’s board of directors after Ohio’s attorney general sued him for $2.4 million for fraud and conversion of ministry funds to private use. The directors also hired a new management team.

Another organization—Christian Health Care Newsletter—also breaks down monthly subscription fee charges to singles, single parents, childless couples and families, as does Medi-Share. Reinhold insisted that Medi-Share is not susceptible to fraud because of internal accountability provided by a 55-member board of overseers, an eight-member board of directors and more than $100,000 of self-imposed annual audits.

“The thing that invites the most confidence is the fact that the ministry has shared tens of millions of dollars in bills over the past nine years, and no member has ever come up a dime short on any eligible medical bill,” Reinhold told Charisma.

Reinhold also dismissed a lawsuit filed in July by the Department of Insurance (DOI) in Kentucky aimed at prohibiting Medi-Share’s operations in that state. The DOI obtained a restraining order to block Medi-Share from what they called “the unauthorized sale of insurance in Kentucky” after learning it was being sold on the Internet.

“The state of Kentucky as well as several other states have a statute of exemption that says that an organization is exempt from the [DOI] if they meet certain prescribed criteria," Reinhold said. "We believe that once Kentucky understands who we are and how we operate, we will not have any difficulties."

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For more information about Medi-Share, call (800) 374-2562 or write Christian Care Ministry, P.O. Box 120099, Melbourne, FL 32912-0099