

1 5. AFFECT THE TERMS OR CONDITIONS OF ANY HEALTH CARE SYSTEM TO THE
2 EXTENT THAT THOSE TERMS AND CONDITIONS DO NOT HAVE THE EFFECT OF PUNISH-
3 ING A PERSON OR EMPLOYER FOR PAYING DIRECTLY FOR LAWFUL HEALTH CARE
4 SERVICES OR A HEALTH CARE PROVIDER OR HOSPITAL FOR ACCEPTING DIRECT
5 PAYMENT FROM A PERSON OR EMPLOYER FOR LAWFUL HEALTH CARE SERVICES.

6 D. FOR THE PURPOSES OF THIS SECTION:

7 1. "COMPEL" INCLUDES PENALTIES OR FINES.

8 2. "DIRECT PAYMENT OR PAY DIRECTLY" MEANS PAYMENT FOR LAWFUL HEALTH
9 CARE SERVICES WITHOUT A PUBLIC OR PRIVATE THIRD PARTY, NOT INCLUDING AN
10 EMPLOYER, PAYING FOR ANY PORTION OF THE SERVICE.

11 3. "HEALTH CARE SYSTEM" MEANS ANY PUBLIC OR PRIVATE ENTITY WHOSE FUNC-
12 TION OR PURPOSE IS THE MANAGEMENT OF, PROCESSING OF, ENROLLMENT OF INDI-
13 VIDUALS FOR OR PAYMENT FOR, IN FULL OR IN PART, HEALTH CARE SERVICES OR
14 HEALTH CARE DATA OR HEALTH CARE INFORMATION FOR ITS PARTICIPANTS.

15 4. "LAWFUL HEALTH CARE SERVICES" MEANS ANY HEALTH-RELATED SERVICE OR
16 TREATMENT TO THE EXTENT THAT THE SERVICE OR TREATMENT IS PERMITTED OR
17 NOT PROHIBITED BY LAW OR REGULATION THAT MAY BE PROVIDED BY PERSONS OR
18 BUSINESSES OTHERWISE PERMITTED TO OFFER SUCH SERVICES.

19 5. "PENALTIES OR FINES" MEANS ANY CIVIL OR CRIMINAL PENALTY OR FINE,
20 TAX, SALARY OR WAGE WITHHOLDING OR SURCHARGE OR ANY NAMED FEE WITH A
21 SIMILAR EFFECT ESTABLISHED BY LAW OR RULE BY A GOVERNMENT ESTABLISHED,
22 CREATED OR CONTROLLED AGENCY THAT IS USED TO PUNISH OR DISCOURAGE THE
23 EXERCISE OF RIGHTS PROTECTED UNDER THIS SECTION.

24 S 3. Resolved (if the Assembly concur), That the foregoing amendments
25 be referred to the first regular legislative session convening after the
26 next succeeding general election of members of the assembly, and, in
27 conformity with section 1 of article 19 of the constitution, be
28 published three months previous to the time of such election.