

The Honorable Bill Herbkersman

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March 29, 2024

and a member of the deduction system on the effective date of this act.”¹ As described in the attachments to your letter, it is unclear if such a plan could be fairly categorized as “insurance.”

Title 38 of the South Carolina Code of Laws defines “insurance” as “any contract that

undertakes to indemnify another or pay a specified amount upon determinable contingencies.” S.C.

Code § 38-1-20(25). It seems unlikely that a wellness program focused on preventative health initiatives could fairly be interpreted to come within this definition.

