

**Maine Revised Statute Title 24-A, Chapter 40-A:
GROUP PROPERTY AND CASUALTY INSURANCE**

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24-A §2951. GROUP PROPERTY AND CASUALTY INSURANCE

1. Group coverage permitted. The following lines of property and casualty insurance may be written on a group basis, subject to the requirements of this section and other applicable law:

A. Liability insurance issued to a risk purchasing group in compliance with chapter 72-A; [2001, c. 138, §16 (NEW).]

B. Credit involuntary unemployment insurance issued to a debtor group in compliance with chapter 37; and [2001, c. 138, §16 (NEW).]

C. Other lines of insurance designated by the superintendent in compliance with rules adopted pursuant to section 2953. [2001, c. 138, §16 (NEW).]

[2001, c. 138, §16 (NEW) .]

2. Terms of coverage. A policy must provide insured group members with terms of coverage that are no less favorable to the insured than would be required for comparable nongroup policies, at rates consistent with the requirements of this Title.

[2001, c. 138, §16 (NEW) .]

3. Certificate of coverage. An insured group member must be issued a certificate of coverage adequately describing that insured's rights and responsibilities under the group policy in a manner satisfactory to the superintendent, delivered in the same time and manner as is required for the delivery of comparable nongroup policies.

[2001, c. 138, §16 (NEW) .]

SECTION HISTORY

2001, c. 138, §16 (NEW).

24-A §2952. TERMINATION OF COVERAGE

Cancellation and nonrenewal of group policies and of coverage of group members under group policies are governed by this section. [2001, c. 138, §16 (NEW).]

1. Involuntary termination. Involuntary termination of the group policy is governed by section 2908. Individual insureds do not have standing to contest cancellation or nonrenewal of the group policy unless they have the right to represent the group policyholder.

[2001, c. 138, §16 (NEW) .]

2. Prior notice of involuntary termination of coverage. Except as otherwise provided in this section, individual insureds have the same rights to prior notice before involuntary termination of coverage and opportunity for hearing before the superintendent to contest the termination as would be available under the cancellation control laws applicable to comparable nongroup policies.

[2001, c. 138, §16 (NEW) .]

3. Termination of group policy. Termination of the group policy, whether voluntary or involuntary, is a valid ground for termination of coverage for all group members, if adequate notice to group members has been given in accordance with subsection 2.

[2001, c. 138, §16 (NEW) .]

4. Termination of group membership. Termination of group membership is a valid ground for termination of the member's coverage under a group policy, if the certificate of coverage so provides. If the certificate of coverage gives adequate notice that coverage ceases immediately upon voluntary withdrawal from the group, no further advance notice is required as a condition precedent to the termination of coverage.

[2001, c. 138, §16 (NEW) .]

5. Continued coverage. An insurer's obligation to issue or offer continued coverage to a group member under this chapter may be satisfied by the issuance or offer of a comparable nongroup policy.

[2001, c. 138, §16 (NEW) .]

SECTION HISTORY

2001, c. 138, §16 (NEW).

24-A §2953. RULEMAKING

The superintendent may adopt rules, which are routine technical rules pursuant to Title 5, chapter 375, subchapter II-A, establishing specific requirements and procedures for group property and casualty policies, certificates of coverage and rates, consistent with the purposes of this chapter. These rules may specify additional types of insurance that may be issued on a group basis and the types of groups that may be policyholders, if the superintendent determines that the issuance of multiple individual policies to group members in accordance with chapter 40 does not adequately address the needs of the market. [2001, c. 138, §16 (NEW) .]

SECTION HISTORY

2001, c. 138, §16 (NEW).

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