

§2603. Employee groups

The lives of a group of individuals may be insured under a policy issued to an employer or to the trustees of a fund established by an employer, which employer or trustees are considered the policyholder, to insure employees of the employer for the benefit of persons other than the employer, subject to the following requirements. [PL 1981, c. 150, §3 (RPR).]

1. The employees eligible for insurance under the policy shall be all of the employees of the employer, or all of any class or classes thereof. The policy may provide that the term "employees" includes the employees of one or more subsidiary corporations, and the employees, individual proprietors and partners of one or more affiliated corporations, proprietorships or partnerships if the business of the employer and of the affiliated corporations, proprietorships or partnerships is under common control. The policy may provide that the term "employees" includes the individual proprietor or partners if the employer is an individual proprietorship or partnership. The policy may provide that the term "employees" includes retired employees and directors of a corporate employer. A policy issued to insure the employees of a public body may provide that the term "employees" includes elected or appointed officials.

[PL 1981, c. 150, §3 (RPR).]

2. The premium for the policy shall be paid either from the employer's funds or from funds contributed by the insured employees, or from both. Except as provided in subsection 3, a policy on which no part of the premium is to be derived from funds contributed by the insured employees must insure all eligible employees, except those who reject that coverage in writing.

[PL 1981, c. 150, §3 (RPR).]

3. An insurer may exclude or limit the coverage on any person as to whom evidence of individual insurability is not satisfactory to the insurer.

[PL 1981, c. 150, §3 (RPR).]

4.

[PL 1981, c. 150, §3 (RP).]

SECTION HISTORY

PL 1969, c. 132, §1 (NEW). PL 1981, c. 150, §3 (RPR).

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