

SENATE FILE NO. SF0020

Group insurance plans.

Sponsored by: Joint Labor, Health and Social Services Interim Committee

A BILL

for

1 AN ACT relating to insurance plans; eliminating and
2 repealing a limitation on organizing as a group for
3 specified insurance coverage; conforming provisions; and
4 providing for an effective date.

5

6 Be It Enacted by the Legislature of the State of Wyoming:

7

8 Section 1. W.S. 26-18-136(a)(ii)(A),
9 26-19-102(a)(ii)(intro), 26-19-106(a)(viii) and
10 26-19-302(a)(vii)(A)(III) are amended to read:

11

12 26-18-136. Franchise disability insurance.

13

14 (a) Disability insurance on a franchise plan is that
15 form of disability insurance issued to:

16

1 (ii) Ten (10) or more members, employees or
2 employees of members of any labor union or of any trade,
3 professional or other association which has had an active
4 existence for at least two (2) years and which:

5

6 (A) Has a constitution or bylaws; and

7

8 **26-19-102. "Group disability insurance" defined;**
9 **eligible groups.**

10

11 (a) "Group disability insurance" means that form of
12 disability insurance covering groups of persons as
13 described in this section and W.S. 26-19-110, with or
14 without one (1) or more members of their families or one
15 (1) or more of their dependents, or covering one (1) or
16 more members of the families or one (1) or more dependents
17 of the groups of persons. Except as provided in W.S.
18 26-19-110, a group disability insurance policy shall not be
19 issued for delivery in this state unless the policy is
20 issued to:

21

22 (ii) An association, or a trust or the trustee
23 of a fund established or adopted for the benefit of members
24 of one (1) or more associations. The association shall have

1 at the time the policy is first issued a minimum of fifty
2 (50) persons eligible for insurance, shall have ~~been~~
3 ~~organized and maintained in good faith for purposes other~~
4 ~~than that of obtaining insurance, shall have been in active~~
5 ~~existence for at least one (1) year and shall have a~~
6 constitution and bylaws which provide that the association
7 holds regular meetings not less than annually to further
8 the members' purposes, that the association, except for
9 credit unions, collects dues or solicits contributions from
10 members, and that the members have voting privileges and
11 representation on the governing board and committees. The
12 policy is subject to the following requirements:

13

14 **26-19-106. Blanket disability insurance; defined.**

15

16 (a) Blanket disability insurance is that form of
17 disability insurance covering groups of persons under a
18 policy or contract issued to:

19

20 (viii) An association, including a labor union,
21 which has a constitution and bylaws and which ~~has been~~
22 ~~organized and is maintained in good faith for purposes~~
23 ~~other than that of obtaining insurance, which~~ is deemed the
24 policyholder, covering any group of members or participants

1 defined by reference to specified hazards incident to an
2 activity or operations sponsored or supervised by the
3 policyholder;

4

5 **26-19-302. Definitions.**

6

7 (a) As used in this act:

8

9 (vii) "Class of business" means all of a
10 distinct grouping of small employers as shown on the
11 records of the small employer carrier, and provided:

12

13 (A) A distinct grouping may only be
14 established by the small employer carrier on the basis that
15 the applicable health benefit plans:

16

17 (III) Are provided through an
18 association with membership of not less than two (2) small
19 employers. ~~which has been formed for purposes other than~~
20 ~~obtaining insurance.~~

21

22 **Section 2.** W.S. 26-18-136(a) (ii) (B) is repealed.

23

1 **Section 3.** This act is effective July 1, 2003.

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3

(END)