

WORKING DRAFT

SENATE FILE NO. _____

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:

1

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

6

7 (A) Has a constitution or bylaws; and

8

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

11

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

22

23 (ii) An association, or a trust or the trustee
24 of a fund established or adopted for the benefit of members

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

14

15 **26-19-106. Blanket disability insurance; defined.**

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

20

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

1 policyholder, covering any group of members or participants
2 defined by reference to specified hazards incident to an
3 activity or operations sponsored or supervised by the
4 policyholder;

5
6 **26-19-302. Definitions.**

7
8 (a) As used in this act:

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

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

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

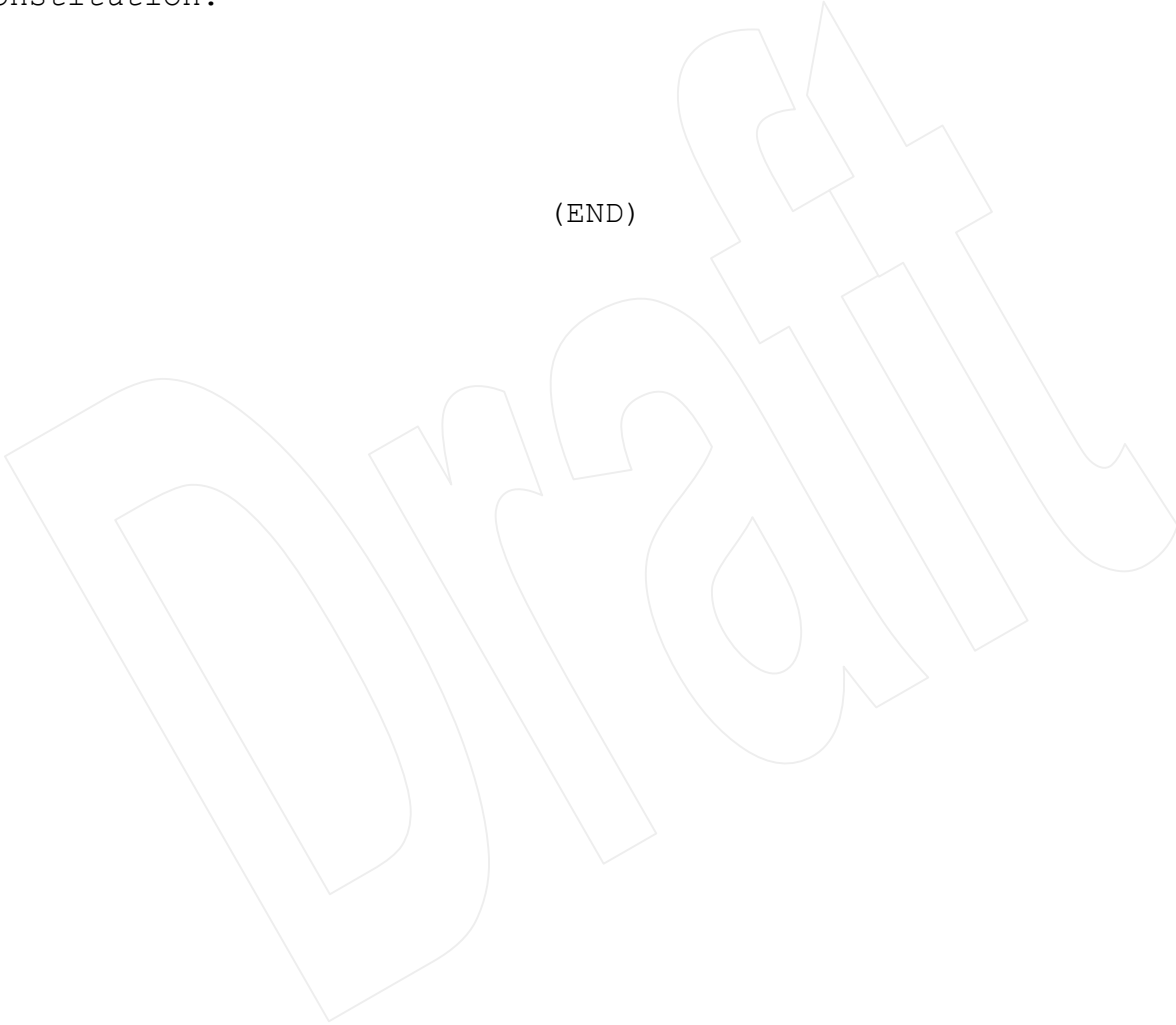
22
23 **Section 2.** W.S. 26-18-136(a) (ii) (B) is repealed.

24

1 **Section 3.** This act is effective immediately upon
2 completion of all acts necessary for a bill to become law
3 as provided by Article 4, Section 8 of the Wyoming
4 Constitution.

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6
7

(END)



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