

SENATE FILE NO. SF0044

Multiple employer welfare arrangements.

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

A BILL

for

1 AN ACT relating to insurance; establishing licensing and fee
2 requirements for multiple employer welfare arrangements as
3 specified; providing rulemaking authority; specifying
4 applicability; and providing for effective dates.

5

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

7

8 **Section 1.** W.S. 26-19-115 is created to read:

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10 **26-19-115. Multiple employer welfare arrangements;**
11 **required license; applicability of the Small Employer Health**
12 **Insurance Availability Act; hearings; rules.**

13

14 (a) A multiple employer welfare arrangement, as defined
15 in W.S. 26-1-102(a)(xliii), intending to operate in Wyoming

1 shall provide to the department all necessary documents to
2 facilitate a determination of jurisdiction under W.S.
3 26-1-108. The department may specify required documents under
4 this subsection by rule.

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6 (b) Before operating in this state, a multiple employer
7 welfare arrangement subject to the jurisdiction of the
8 department shall obtain an annual license. The department
9 shall collect a fee for each license or renewal, as provided
10 in W.S. 26-4-101(a)(xx).

11

12 (c) Except as otherwise provided in this subsection,
13 the provisions of the Small Employer Health Insurance
14 Availability Act, W.S. 26-19-301 through 26-19-310, shall
15 apply to multiple employer welfare arrangements subject to
16 the jurisdiction of the department, including arrangements
17 providing benefits to one (1) or more employees of a small
18 employer, as defined in W.S. 26-19-302(a)(xxii). The
19 provisions of W.S. 26-19-303(a) shall not apply.

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21 (d) The commissioner may suspend, revoke or refuse to
22 issue or renew a license required by subsection (b) of this
23 section, consistent with the Wyoming Administrative Procedure

1 Act, W.S. 16-3-101 through 16-3-115 and 26-2-125 through
2 26-2-129.

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4 (e) The commissioner may adopt rules to implement this
5 section, including specifying the conditions under which
6 actions may be taken under subsection (d) of this section,
7 which shall be consistent with other insurance statutes
8 governing suspensions, revocations or refusals to issue or
9 renew licenses.

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11 **Section 2.** W.S. 26-1-102(a) by creating a new paragraph
12 (xliii), 26-4-101(a)(i)(A), (B) and by creating a new
13 paragraph (xx), 26-19-102(a)(ii)(intro) and by creating a new
14 paragraph (ix), 26-19-106(a)(viii) and 26-19-303 by creating
15 a new subsection (d) are amended to read:

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17 **26-1-102. Definitions.**

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19 (a) As used in this act:

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21 (xliii) "Multiple employer welfare arrangement"
22 means an employee welfare benefit plan, as defined in 29
23 U.S.C. § 1002, or any other arrangement which is established

1 to provide hospital, medical or surgical benefits in the event
2 of sickness, accident, disability or death to the employees
3 of two (2) or more employers or two (2) or more self employed
4 individuals meeting a commonality of interest test, or to the
5 beneficiaries of these persons. This term shall include a
6 bona fide group or association of employers authorized to
7 establish an employee welfare benefit plan under federal law.

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9 **26-4-101. Fee schedule.**

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11 (a) The commissioner shall collect in advance or
12 contemporaneously fees, licenses and miscellaneous charges as
13 specified in this subsection. Collection may include the
14 acceptance of electronic funds transfer. All fees and other
15 charges collected by the commissioner as specified in this
16 subsection shall be nonrefundable:

17
18 (i) Certificate of authority:

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20 (A) For filing application for insurer's
21 initial certificate of authority, excluding multiple employer
22 welfare arrangements, including all documents submitted as a

1 part of the application, examination of application and
2 issuance of certificate of authority, if issued ... \$750.00

3
4 (B) Annual continuation, excluding multiple
5 employer welfare arrangements, including filing of annual
6 statement \$500.00

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8 (xx) Multiple employer welfare arrangement,
9 annual license or renewal \$500.00.

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11 **26-19-102. "Group disability insurance" defined;**
12 **eligible groups.**

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

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1 (ii) An association, or a trust or the trustee of
2 a fund established or adopted for the benefit of members of
3 one (1) or more associations. The association shall have at
4 the time the policy is first issued a minimum of fifty (50)
5 persons eligible for insurance, shall have a constitution and
6 bylaws which provide that the association holds regular
7 meetings not less than annually to further the members'
8 purposes, that the association, except for credit unions,
9 collects dues or solicits contributions from members, and
10 that the members have voting privileges and representation on
11 the governing board and committees. Prior to marketing or
12 offering any group disability insurance to an association
13 formed for the sole purpose of obtaining insurance, the
14 producer shall file a written report with the department
15 setting forth the name of the association, the insurer and
16 its address and the offering producer and his address. The
17 department shall keep the name of the association
18 confidential. The provisions of the Small Employer Health
19 Insurance Availability Act, W.S. 26-19-301 et seq., shall
20 apply to all insurance issued to an association under this
21 section. As used in this paragraph, "association" shall not
22 include a multiple employer welfare arrangement. The policy
23 is subject to the following requirements:

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(ix) Except as otherwise required by federal law, a multiple employer welfare arrangement under the jurisdiction of the department which provides benefits to the employees of one (1) or more employers which:

(A) Is domiciled in Wyoming;

(B) Maintains its principal place of business in Wyoming.

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

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

(viii) An association, including a labor union, which has a constitution and bylaws and which is deemed the policyholder, covering any group of members or participants defined by reference to specified hazards incident to an activity or operations sponsored or supervised by the policyholder. Prior to marketing or offering any blanket

1 disability insurance to an association, including a labor
2 union, formed for the sole purpose of obtaining insurance,
3 the producer shall file a written report with the department
4 setting forth the name of the association, the insurer and
5 its address and the offering producer and his address. The
6 department shall keep the name of the association
7 confidential. The provisions of the Small Employer Health
8 Insurance Availability Act, W.S. 26-19-301 et seq., shall
9 apply to all insurance issued to an association under this
10 section. As used in this paragraph, "association" shall not
11 include a multiple employer welfare arrangement;
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13 **26-19-303. Applicability and scope.**

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15 (d) This act shall apply to multiple employer welfare
16 arrangements, consistent with W.S. 26-19-115.
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18 **Section 3.** This act applies to health insurance
19 policies issued on or after July 1, 2019.
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21 **Section 4.** The insurance commissioner shall promulgate
22 rules as required by this act.
23

1 **Section 5.**

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3 (a) Except as provided in subsection (b) of this
4 section, this act is effective July 1, 2019.

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6 (b) Section 4 of this act is effective immediately upon
7 completion of all acts necessary for a bill to become law as
8 provided by Article 4, Section 8 of the Wyoming Constitution.

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(END)