

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; requiring certain filing  
4 requirements as specified; conforming provisions; and  
5 providing for an effective date.

6

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

8

9 **Section 1.** W.S. 26-18-136(a)(ii)(intro) and (A) and  
10 by creating new subsections (c) and (d),  
11 26-19-102(a)(ii)(intro), 26-19-106(a)(viii) and  
12 26-19-302(a)(vii)(A)(III) are amended to read:

13

14 **26-18-136. Franchise disability insurance.**

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

3

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

8

9 (A) Has a constitution or bylaws; and

10

11 (c) Prior to marketing or offering any disability  
12 insurance for a franchise plan formed for the sole purpose  
13 of obtaining insurance, the producer shall file a written  
14 report with the department setting forth the name of the  
15 entity or entities, the insurer and its address and the  
16 offering producer and his address. The department shall  
17 keep the name of the association confidential.

18

19 (d) The provisions of the Small Employer Health  
20 Insurance Availability Act, W.S. 26-19-301 et seq., shall  
21 apply to all insurance issued under this section.

22

23 **26-19-102. "Group disability insurance" defined;**  
24 **eligible groups.**

1

2 (a) "Group disability insurance" means that form of  
3 disability insurance covering groups of persons as  
4 described in this section and W.S. 26-19-110, with or  
5 without one (1) or more members of their families or one  
6 (1) or more of their dependents, or covering one (1) or  
7 more members of the families or one (1) or more dependents  
8 of the groups of persons. Except as provided in W.S.  
9 26-19-110, a group disability insurance policy shall not be  
10 issued for delivery in this state unless the policy is  
11 issued to:

12

13 (ii) An association, or a trust or the trustee  
14 of a fund established or adopted for the benefit of members  
15 of one (1) or more associations. The association shall have  
16 at the time the policy is first issued a minimum of fifty  
17 (50) persons eligible for insurance, shall have ~~been~~  
18 ~~organized and maintained in good faith for purposes other~~  
19 ~~than that of obtaining insurance, shall have been in active~~  
20 ~~existence for at least one (1) year and shall have a~~  
21 constitution and bylaws which provide that the association  
22 holds regular meetings not less than annually to further  
23 the members' purposes, that the association, except for  
24 credit unions, collects dues or solicits contributions from

1 members, and that the members have voting privileges and  
2 representation on the governing board and committees.  
3 Prior to marketing or offering any group disability  
4 insurance to an association formed for the sole purpose of  
5 obtaining insurance, the producer shall file a written  
6 report with the department setting forth the name of the  
7 association, the insurer and its address and the offering  
8 producer and his address. The department shall keep the  
9 name of the association confidential. The provisions of  
10 the Small Employer Health Insurance Availability Act, W.S.  
11 26-19-301 et seq., shall apply to all insurance issued to  
12 an association under this section. The policy is subject  
13 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. Prior to marketing or offering any blanket  
5 disability insurance to an association, including a labor  
6 union, formed for the sole purpose of obtaining insurance,  
7 the producer shall file a written report with the  
8 department setting forth the name of the association, the  
9 insurer and its address and the offering producer and his  
10 address. The department shall keep the name of the  
11 association confidential. The provisions of the Small  
12 Employer Health Insurance Availability Act, W.S. 26-19-301  
13 et seq., shall apply to all insurance issued to an  
14 association under this section;

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16 **26-19-302. Definitions.**

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18 (a) As used in this act:

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

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