

SENATE NO. 594

AN ACT RELATIVE TO GROUP INSURANCE

*Be it enacted by the Senate and House of Representatives in General Court assembled,
And by the authority of the same, as follows:*

1 SECTION 1. Chapter 175 of the General Laws, as appearing in the 2002 Official Edition, is hereby
2 amended by adding the following section: -

3 Section 133A. Group life insurance offered to a resident of the commonwealth under a group life
4 insurance policy issued to a group other than one described in Section 133 of this chapter shall be
5 subject to the following requirements:

6 A. No such group life insurance policy shall be delivered in the commonwealth unless the
7 commissioner finds that:

- 8 (1) The issuance of such group policy is not contrary to the best interests of the public;
9 (2) The issuance of the group policy would result in economies of acquisition or
10 administration; and
11 (3) The benefits are reasonable in relation to the premiums charged.

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13 B. The premium for the policy shall be paid either from the policyholder's funds or from
14 funds contributed by the covered persons, or from both.

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

17 SECTION 2. Chapter 175 of the General Laws, as appearing in the 2002 Official Edition, is hereby
18 amended by adding the following section: -

19 Section 132A1/2. A group annuity offered to a resident of the commonwealth under a group annuity
20 contract issued to a group other than one described in Section 132A of this chapter shall be
21 subject to the following requirements:

22 A. No such group annuity contract shall be delivered in the commonwealth unless the
23 commissioner finds that:

24 (1) The issuance of the group annuity contract is not contrary to the best interests of the
25 public;

26 (2) The issuance of the group annuity contract would result in economies of acquisition
27 or administration; and

28 (3) The benefits are reasonable in relation to the premiums charged.

29 B. The premium for the annuity contract shall be paid either from the contract holder's
30 funds or from funds contributed by the covered persons, or from both.