

304.16-050 Labor union groups.

The lives of a group of individuals may be insured under a policy issued to a labor union, which shall be deemed the policyholder, to insure members of such union for the benefit of persons other than the union or any of its officials, representatives or agents, subject to the following requirements:

- (1) The members eligible for insurance under the policy shall be all of the members of the union, or all of any class or classes thereof determined by conditions pertaining to their employment, or to membership in the union, or both. The policy may provide that the term "member" shall include retired members;
- (2) The premium for the policy shall be paid by the policyholder from the union's funds, from funds contributed by the insured members specifically for their insurance, or from both. A policy may be issued on which the entire premium is to be derived from funds contributed by the insured members specifically for their insurance;
- (3) A policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members with the following exceptions:
 - (a) An insurer may exclude or limit the coverage on any person for whom evidence of individual insurability is not satisfactory to the insurer; and
 - (b) Those that reject the coverage in writing;
- (4) The amounts of insurance under the policy shall be based upon some plan precluding individual selection either by the members or by the union;
- (5) Nothing contained in this section shall require the termination of insurance for, or prohibit the contribution of all required premium by, an otherwise insured member who involuntarily becomes temporarily unemployed.

Effective: July 15, 2008

History: Amended 2008 Ky. Acts ch. 140, sec. 3, effective July 15, 2008. -- Amended 1984 Ky. Acts ch. 49, sec. 1, effective July 13, 1984. -- Created 1970 Ky. Acts ch. 301, subtit. 16, sec. 5, effective June 18, 1970.