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I N S E N A T E

February 25, 2014

Introduced by Sen. SEWARD -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law, in relation to blanket group accident and health insurance coverage

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Subsection (a) of section 4237 of the insurance law,
2 subparagraph (F) of paragraph 3 as amended by chapter 369 of the laws of
3 1985, is amended to read as follows:

4 (a) (1) Any policy or contract of insurance against death or injury
5 resulting from accident which insures a group of persons conforming to
6 the requirements of one of the subparagraphs (A) through [(F)] (M) of
7 paragraph three hereof shall be deemed a blanket accident policy.

8 (2) Any policy or contract which insures a group of persons conforming
9 to the requirements of subparagraph (C), (E) or [(F)] (M) of paragraph
10 three hereof against total or partial disability, excluding such disa-
11 bility from accident, shall be deemed a blanket health insurance policy.

12 (3) Any policy or contract of insurance which combines the coverage of
13 blanket accident insurance and of blanket health insurance on such a
14 group of persons shall be deemed a blanket accident and health insurance
15 policy:

16 (A) Under a policy or contract issued to any railroad, steamship,
17 motorbus or airplane carrier of passengers OR OWNER, OPERATOR OR LESSEE
18 OF ANY MEANS OF TRANSPORTATION, which shall be deemed the policyholder,
19 a group defined as all persons who may become such passengers may be
20 insured against death or bodily injury either while, or as a result of,
21 being such passengers.

22 (B) Under a policy or contract issued to an employer, who shall be
23 deemed the policyholder, covering any group of employees defined by
24 reference to [exceptional] hazards incident to [such employment] AN
25 ACTIVITY, ACTIVITIES, OR OPERATIONS OF THE POLICYHOLDER, insuring such
26 employee against death or bodily injury resulting while, or from, being
27 exposed to such [exceptional] hazards. DEPENDENTS OF THE EMPLOYEE AND

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 GUESTS OF THE EMPLOYER OR EMPLOYEES MAY ALSO BE INCLUDED WHERE EXPOSED
2 TO THE SAME HAZARDS.

3 (C) Under a policy or contract issued to a college, school, or other
4 institution of learning or to the head or principal thereof, who or
5 which shall be deemed the policyholder.

6 (D) Under a policy or contract issued in the name of

7 (i) any county, city, town, village or fire district,

8 (ii) any duly organized fire department, or fire company, of any such
9 municipal corporation or fire district, FIRST AID, CIVIL DEFENSE, OR
10 OTHER SUCH GROUP whether or not any such corporation has been incorpo-
11 rated under any general or special law,

12 (iii) any fire corporation incorporated under or subject to the
13 provisions of section one thousand four hundred two of the not-for-pro-
14 fit corporation law, or any general or special law, if such corporation
15 is by law under the general control of, or recognized as a fire corpo-
16 ration by, the governing board of a city, town, village or fire
17 district, which municipal corporation, fire district, fire department,
18 fire company or fire corporation, as the case may be, shall be deemed
19 the policyholder, covering all, but not less than twenty-five, volunteer
20 members of such department, company or corporation. A district corpo-
21 ration which has the general powers of and operates as a fire district
22 shall be considered a fire district for the purposes of this paragraph.
23 A volunteer fireman whose services are offered and accepted pursuant to
24 the provisions of section two hundred nine-i of the general municipal
25 law shall be deemed a volunteer member of any such fire department, fire
26 company or fire corporation except for the purpose of determining the
27 minimum number of twenty-five volunteer members for which any such poli-
28 cy or contract must provide coverage. Any such policy or contract issued
29 to a municipal corporation or a fire district shall be subject to any
30 limitations on the amount, coverage or benefits as are set forth in any
31 applicable general, special or local law or city or village charter.

32 (E) Under a policy or contract issued to and in the name of an incor-
33 porated or unincorporated association of persons having a common inter-
34 est or calling, which association shall be deemed the policyholder,
35 having not less than fifty members, covering all OR ANY GROUP OF the
36 members of such association or if part or all of the premium is to be
37 derived from funds contributed by the insured members and if the oppor-
38 tunity to take such insurance is offered to all eligible members, then
39 such policy must cover not less than seventy-five percent of any class
40 or classes of members determined by conditions pertaining to membership
41 in the association.

42 (F) UNDER A POLICY OR CONTRACT ISSUED TO A SPORTS TEAM OR TO A CAMP OR
43 SPONSOR THEREOF, WHICH TEAM, CAMP OR SPONSOR SHALL BE DEEMED THE POLICY-
44 HOLDER, COVERING MEMBERS, CAMPERS, EMPLOYEES, VOLUNTEERS, SUPERVISORS OR
45 OFFICIALS.

46 (G) UNDER A POLICY OR CONTRACT ISSUED TO ANY INCORPORATED OR UNINCOR-
47 PORATED RELIGIOUS, CHARITABLE, RECREATIONAL, EDUCATIONAL OR CIVIC ORGAN-
48 IZATION, OR BRANCH THEREOF, WHICH ORGANIZATION SHALL BE DEEMED THE POLI-
49 CYHOLDER, COVERING ANY GROUP OF MEMBERS, PARTICIPANTS, OR VOLUNTEERS
50 DEFINED BY REFERENCE TO HAZARDS INCIDENT TO ANY ACTIVITY OR ACTIVITIES
51 OR OPERATIONS SPONSORED OR SUPERVISED BY OR ON THE PREMISES OF SUCH
52 POLICYHOLDER.

53 (H) UNDER A POLICY OR CONTRACT ISSUED TO A RESTAURANT, HOTEL, MOTEL,
54 RESORT, INNKEEPER OR OTHER GROUP WITH A HIGH DEGREE OF POTENTIAL CUSTOM-
55 ER LIABILITY, WHICH SHALL BE DEEMED THE POLICYHOLDER, COVERING PATRONS
56 OR GUESTS.

1 (I) UNDER A POLICY OR CONTRACT ISSUED TO A HEALTH CARE PROVIDER OR
2 OTHER ARRANGER OF HEALTH SERVICES, WHICH SHALL BE DEEMED THE POLICYHOLD-
3 ER, COVERING PATIENTS, DONORS, OR SURROGATES PROVIDED THE COVERAGE IS
4 NOT MADE A CONDITION OF RECEIVING CARE.

5 (J) UNDER A POLICY OR CONTRACT ISSUED TO A BANK, ASSOCIATION, FINAN-
6 CIAL OR OTHER INSTITUTION, VENDOR, OR TO A PARENT HOLDING COMPANY, OR TO
7 THE TRUSTEE, TRUSTEES OR AGENT DESIGNATED BY ONE OR MORE BANKS, ASSOCI-
8 ATIONS, FINANCIAL OR OTHER INSTITUTIONS, OR VENDORS, WHICH SHALL BE
9 DEEMED THE POLICYHOLDER, COVERING ACCOUNTHOLDERS, DEBTORS, GUARANTORS OR
10 PURCHASERS.

11 (K) UNDER A POLICY OR CONTRACT ISSUED TO A TRAVEL AGENCY OR OTHER
12 ORGANIZATION THAT PROVIDES TRAVEL RELATED SERVICES, WHICH AGENCY OR
13 ORGANIZATION SHALL BE DEEMED THE POLICYHOLDER, TO COVER ALL OR ANY GROUP
14 OF PERSONS FOR WHOM TRAVEL RELATED SERVICES ARE PROVIDED.

15 (L) AN ENTERTAINMENT, THEATER, ARTS OR EVENT PRODUCTION COMPANY OR
16 ORGANIZATION, WHICH SHALL BE DEEMED THE POLICYHOLDER, COVERING ALL OR
17 ANY GROUP OF PARTICIPANTS, VOLUNTEERS, AUDIENCE MEMBERS, CONTESTANTS,
18 EMPLOYEES OR WORKERS ENGAGED IN ANY ACTIVITY, ACTIVITIES, OR OPERATIONS
19 OF THE POLICYHOLDER.

20 (M) Under a policy or contract issued to insure; (i) any other
21 [substantially similar group] RISK OR CLASS OF RISKS approved by the
22 superintendent as eligible for insurance under a blanket accident and
23 health insurance policy or contract; THE DISCRETION OF THE SUPERINTEN-
24 DENT MAY BE EXERCISED ON AN INDIVIDUAL RISK BASIS OR CLASS OF RISKS, OR
25 BOTH; or (ii) any other group approved by the superintendent upon a
26 finding that: (I) there is a common enterprise or economic or social
27 affinity or relationship; (II) the premiums charged are reasonable in
28 relation to the benefits provided; and (III) the issuance of the policy
29 would result in economies of acquisition or administration, would be
30 actuarially sound, and would not be contrary to the best interest of the
31 public. The superintendent shall promulgate regulations setting forth
32 any such groups that have been accepted as qualifying pursuant to this
33 subparagraph.

34 S 2. This act shall take effect immediately.