*** § 3453. Employer sponsored group personal excess insurance.** (a) For purposes of this section, the following definitions shall apply:

(1) "Certificate" or "certificate of insurance" means any policy, contract or other evidence of insurance, or rider or endorsement thereto, issued to a group member under an employer sponsored group personal excess insurance policy.

(2) "Conditional renewal" means any change of limits, change in type of coverage, reduction or elimination of coverage, increased deductible or addition of exclusion, or increased premiums in excess of ten percent (exclusive of any premium increase generated as a result of experience rating, loss rating or retrospective rating).

(3) "Employee" means a director of the employer, or an individual or partner who receives or has received income, wages or salaries from the employer.

(4) "Employer" means a person, partnership, corporation or other entity which pays or has paid income, wages or salaries to a person or persons.

(5) "Employer sponsored group personal excess insurance" means a group policy of insurance providing the kind of insurance defined in paragraph thirteen or fourteen of subsection (a) of section one thousand one hundred thirteen of this chapter, written as an excess policy with premiums remitted by the employer, insuring groups of active and/or retired employees designated by the employer.

(6) "Group member" means a designated active or retired employee insured under this section and also may include the employee's domestic partner or any person related to the employee by blood, marriage, adoption, or operation of law, who resides in the same household (including a ward or foster child) or who is a dependent child away at school.

(7) "Group policy" means employer sponsored group personal excess insurance written for the designated employees of an employer or other group members as defined in this section.

(b) Employer sponsored group personal excess insurance may be written in this state pursuant to this section.

(c) The premium for the group policy may be paid by the employer from funds contributed:

(1) wholly by the employer;

(2) wholly by the employees or group members; or

(3) jointly by the employer and employees or group members.

(d) An employee or group member shall have the right to refuse coverage offered by an employer under this section.

(e) Each policy written pursuant to this section shall provide separate limits of coverage for each group member.

(f)(1) The insurer shall be responsible for the mailing or delivery to the employer a group policy and certificates of insurance for each group member insured under the group policy. The insurer shall also be responsible for the mailing or delivery to the employer for each group member any amended certificate of insurance, or endorsement to the certificate, whenever there is a change of limits; addition, reduction, or elimination of coverage; or addition of an exclusion, under the group policy or certificate.

(2) The certificate shall contain in substance all material terms and conditions of coverage afforded to the group member, including, but not limited to, the disclosure in clear and easily understandable language of any limitations, exclusions or required underlying coverages, unless the group policy is incorporated by reference and a copy of the group policy accompanies the certificate.

(g)(1) A group policy or certificate shall not be subject to section three thousand four hundred twenty-five or section three thousand four hundred twenty-six of this article. The following requirements shall apply to authorized insurers in regard to termination of coverage.

(2) A group policy or certificate may be cancelled by an insurer only if cancellation is based on one or more of the reasons set forth in paragraph one of subsection (c) of section three thousand four hundred twenty-six of this article, provided, however, that an individual group member may also be canceled upon termination of his or her employment with the employer.

(3) An insurer's cancellation of a group policy, or any certificate, shall not become effective until forty-five days, or twenty days if based upon non-payment of premium, after the insurer mails or delivers written notice of cancellation to the employer at the mailing address shown in the policy. The employer shall mail or deliver written notice of such cancellation to each affected group member within ten days of receiving a cancellation notice from the insurer advising the group

member of the cancellation and the effective date of the cancellation.

(h) An authorized insurer may nonrenew or conditionally renew a group policy, or any certificate, under this section, for any reason upon forty-five days written notice to the employer. The employer shall mail or deliver written notice of such nonrenewal or conditional renewal to each affected group member within ten days of receiving such notice from the insurer.

(i) An employer may cancel a group policy, or any certificate, for any reason upon thirty days written notice to the insurer and each affected group member.

(j) Unless a group policy provides for a longer policy period, the policy and all certificates shall be issued or renewed for a one-year policy period commencing with a common inception date. A new employee may be added to the group policy for less than one year to conform with a common expiration date.

(k) No policy form shall be delivered or issued for delivery by an authorized insurer unless it has been filed with the superintendent and the superintendent has either approved it, or thirty days have elapsed and the superintendent has not disapproved such form as misleading or violative of public policy. The initial rate of filing pursuant to this section shall be subject to the prior approval of the superintendent, and any subsequent rate filing shall not be subject to prior approval.

* NB There are 3 § 3453's