

(2) A POLICY MAY NOT BE ISSUED ON WHICH THE ENTIRE PREMIUM IS TO BE PAID FROM FUNDS CONTRIBUTED BY THE INSURED EMPLOYEES.

(3) A POLICY ON WHICH THE PREMIUM IS TO BE PAID PARTLY FROM FUNDS CONTRIBUTED BY THE INSURED EMPLOYEES MAY BE PLACED IN FORCE ONLY IF AT LEAST 75% OF THE ELIGIBLE EMPLOYEES, OTHER THAN THOSE WHO HAVE EVIDENCE OF INDIVIDUAL INSURABILITY THAT IS UNSATISFACTORY TO THE INSURER, ELECT TO MAKE THE REQUIRED CONTRIBUTIONS.

(4) A POLICY ON WHICH NO PART OF THE PREMIUM IS PAID FROM FUNDS CONTRIBUTED BY THE INSURED EMPLOYEES MUST INSURE:

(I) ALL ELIGIBLE EMPLOYEES; OR

(II) ALL ELIGIBLE EMPLOYEES OTHER THAN THOSE WHO HAVE EVIDENCE OF INDIVIDUAL INSURABILITY THAT IS UNSATISFACTORY TO THE INSURER.

(D) MINIMUM NUMBER OF EMPLOYEES COVERED.

THE POLICY MUST COVER AT LEAST TEN EMPLOYEES AT DATE OF ISSUE.

(E) PLAN TO PRECLUDE INDIVIDUAL CHOICE.

THE AMOUNTS OF INSURANCE UNDER THE POLICY MUST BE BASED ON A PLAN THAT PRECLUDES INDIVIDUAL CHOICE BY THE EMPLOYEES OR BY THE EMPLOYER OR TRUSTEES.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 418.

In subsection (b)(1) of this section, the phrase "issued in accordance with this section" is added to modify the term "policy" for clarity.

In subsection (b)(2)(ii) and (4) of this section, the reference to a "proprietorship" is substituted for the former reference to a "proprietor" to conform with references to a "corporation" and a "partnership".

In subsection (b)(3) of this section, the words "bona fide", which formerly modified "employee of the corporation", are deleted as surplusage.

In the introductory language of subsection (c)(1) of this section, the reference to the "employer or trustees" is substituted for the former reference to the "policyholder" in light of subsection (a)(2) of this section.

In subsection (c)(2), (3), and the introductory language of (4) of this section, the word "paid" is substituted for the former word "derived" for consistency throughout this section and this subtitle.

In subsection (c)(3) of this section, the former reference to "then" eligible employees is deleted as surplusage.

Defined terms: "Insurance" § 1-101

"Insurer" § 1-101