

ambulance service organization to cover the registered members of the organization for the benefit of persons other than the organization.

(2) The volunteer fire, rescue squad, or ambulance service organization to which the policy is issued is deemed the policyholder.

(b) All registered members of a volunteer fire, rescue squad, or ambulance service organization are eligible for insurance under a policy issued in accordance with this section.

[(c) (1) The volunteer fire, rescue squad, or ambulance service organization shall pay the premium for the policy:

(i) wholly from the funds of the volunteer fire, rescue squad, or ambulance service organization; or

(ii) partly from the funds of the volunteer fire, rescue squad, or ambulance service organization and partly from funds contributed by the insured members of that organization specifically for their insurance.

(2) A policy may not be issued on which the entire premium is to be paid from funds contributed by the insured members specifically for their insurance.

(3) A policy on which the premium is to be paid partly from funds contributed by the insured members specifically for their insurance may be placed in force only if at least 75% of the eligible members, 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 members specifically for their insurance must insure:

(i) all eligible members; or

(ii) all eligible members other than those who have evidence of individual insurability that is unsatisfactory to the insurer.]

(C) (1) THE PREMIUMS FOR THE POLICY SHALL BE PAID FROM FUNDS CONTRIBUTED BY THE VOLUNTEER FIRE, RESCUE SQUAD, OR AMBULANCE SERVICE ORGANIZATION OR FUNDS CONTRIBUTED BY THE INSURED MEMBERS OR FROM BOTH.

(2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, A POLICY ON WHICH NO PART OF THE PREMIUM IS TO BE DERIVED FROM FUNDS CONTRIBUTED BY THE INSURED MEMBER SPECIFICALLY FOR THE INSURANCE MUST INSURE ALL ELIGIBLE PERSONS, EXCEPT THOSE WHO REJECT THE COVERAGE IN WRITING.

(3) AN INSURER MAY EXCLUDE OR LIMIT THE COVERAGE ON ANY PERSON AS TO WHOM EVIDENCE OF INDIVIDUAL INSURABILITY IS NOT SATISFACTORY TO THE INSURER.