

- (c) (1) The labor union shall pay the premium for the policy:
- (i) wholly from the funds of the union; or
  - (ii) partly from the funds of the union and partly from funds contributed by the insured members 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.
- (d) The policy must cover at least 25 members at date of issue.
- (e) The amounts of insurance under the policy must be based on a plan that precludes individual choice by the members or by the union. ]

17-202.

(A) SUBJECT TO THE REQUIREMENTS OF THIS SECTION, A POLICY MAY BE ISSUED TO A LABOR UNION, OR SIMILAR EMPLOYEE ORGANIZATION, WHICH SHALL BE DEEMED TO BE THE POLICYHOLDER, TO INSURE MEMBERS OF THE UNION OR ORGANIZATION FOR THE BENEFIT OF PERSONS OTHER THAN THE UNION OR ORGANIZATION OR ANY OF ITS OFFICIALS, REPRESENTATIVES, OR AGENTS.

(B) THE MEMBERS ELIGIBLE FOR INSURANCE UNDER THE POLICY SHALL BE ALL OF THE MEMBERS OF THE UNION OR ORGANIZATION, OR ALL OF ANY CLASS OR CLASSES OF MEMBERS.

(C) (1) THE PREMIUM FOR THE POLICY SHALL BE PAID EITHER FROM FUNDS OF THE UNION OR ORGANIZATION, OR FROM FUNDS CONTRIBUTED BY THE INSURED MEMBERS SPECIFICALLY FOR THEIR INSURANCE, 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 MEMBERS SPECIFICALLY FOR THEIR INSURANCE MUST INSURE ALL ELIGIBLE MEMBERS, EXCEPT THOSE WHO REJECT THE COVERAGE IN WRITING.