

(c) (1) All employees of the public employer, all members of the public employees association, or all of any class or classes of employees or members determined by conditions pertaining to their employment or membership in the public employees association or both are eligible for insurance under a policy issued in accordance with this section.

(2) A policy issued to insure employees of a public employer may provide that the term "employee" includes:

- (i) a retired employee; and
- (ii) an elected or appointed official.

[(d) (1) Subject to paragraph (2) of this subsection, the public employer or public employees association shall pay the premium for the policy:

(i) wholly from funds contributed by it as a public employer or public employees association;

(ii) partly from the funds contributed by it as a public employer or public employees association and partly from funds contributed by the insured employees or members; or

(iii) wholly from funds contributed by the insured employees or members.

(2) A public employer may:

(i) on written authorization from an employee, deduct from the employee's salary the required contribution for the premiums; and

(ii) pay the premium for the policy wholly or partly from funds contributed by a municipal corporation that is a public employer as authorized by the charter of the municipal corporation or as otherwise authorized by law.

(3) A policy issued to insure employees of a public employer 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 issued to insure members of a public employees association on which the premium is to be paid wholly or 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, or at least 600 of the eligible members, elect to make the required contributions.

(5) A policy issued to insure members of a public employees association on which no part of the premium is paid from funds contributed by insured members specifically for their insurance must insure:

- (i) all eligible members; or