

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

(D) (1) THE PREMIUM FOR THE POLICY SHALL BE PAID FROM FUNDS CONTRIBUTED BY THE PUBLIC EMPLOYER OR PUBLIC EMPLOYEES ASSOCIATION, OR BY BOTH, OR FROM FUNDS CONTRIBUTED BY THE COVERED PERSONS OR FROM BOTH THE COVERED PERSONS AND THE PUBLIC EMPLOYER OR PUBLIC EMPLOYEES ASSOCIATION.

(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 COVERED PERSONS 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.

(4) A PUBLIC EMPLOYER MAY REQUIRE WRITTEN AUTHORIZATION FROM AN EMPLOYEE TO DEDUCT FROM THE EMPLOYEE'S SALARY THE REQUIRED CONTRIBUTIONS FOR THE PREMIUM.

[(e) (1) A policy issued to insure employees of a public employer must cover at least ten employees at date of issue.

(2) A policy issued to insure members of a public employees association must cover at least 100 members at date of issue.]

[17-206.

(a) (1) Subject to the requirements of this section, the lives of a group of individuals may be insured under a policy issued to a creditor to cover debtors of the creditor.

(2) The creditor to which the policy is issued is deemed the policyholder.

(b) (1) All debtors of the creditor whose indebtedness is repayable in installments or in one sum at the end of a period not exceeding 18 months after the initial date of the debt, or all of any class or classes of debtors determined by conditions pertaining to the indebtedness or the purchase giving rise to the indebtedness, are eligible for insurance under a policy issued in accordance with this section.

(2) The policy may provide that the term "debtor" includes:

(i) a debtor of one or more subsidiary corporations; and

(ii) a debtor of one or more affiliated corporations, proprietorships, or partnerships if the business of the creditor and of the affiliates is under common control.