

31A-22-509 Commissioner's authority to approve other groups.

A policy may be issued to a group other than those specified under Sections 31A-22-502 through 31A-22-508, if specifically authorized by the commissioner and if granting the permission is not contrary to public policy. The commissioner may not grant permission to issue these types of policies unless the insurer demonstrates to the commissioner's satisfaction that the proposed group would be actuarially sound, would result in economies of acquisition and administration which justify a group rate, and would not present hazards of adverse selection. The premiums for the policy shall be paid by the policyholder, either from the policyholder's funds or from funds contributed by the covered persons, or from both. Premiums for the policy and any contributions by or on behalf of the insured persons shall be reasonable in relation to the benefits provided.

Enacted by Chapter 242, 1985 General Session