

**HOUSE BILL NO. 508**

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

**BY REPRESENTATIVE BUNDE**

**Introduced: 2/12/96**

**Referred: Health, Education and Social Services, Labor and Commerce, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to group health insurance; and providing for an effective date."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 **\* Section 1.** AS 21.54.010 is amended to read:

4           Sec. 21.54.010. **REQUIRED PROVISIONS OF GROUP POLICIES.** Each  
5 group disability insurance policy must contain in substance the following provisions:

6                   (1) a provision that, in the absence of fraud, all statements made by  
7 applicants or the policyholder or by an insured person shall be considered  
8 representations and not warranties, and that a statement made for the purpose of  
9 effecting insurance may not void the insurance or reduce benefits unless contained in  
10 a written instrument signed by the policyholder or the insured person, a copy of which  
11 has been furnished to the policyholder or to the insured person or the beneficiary of  
12 the insured person;

13                   (2) a provision that the insurer will furnish to the policyholder, for  
14 delivery to each employee or member of the insured group, a statement in summary  
15 form of the essential features of the insurance coverage of the employee or member

1 and to whom benefits are payable; if dependents are included in the coverage, only one  
2 certificate need be issued for each family unit;

3 (3) a provision that to the group originally insured may be added from  
4 time to time eligible new employees or members or dependents, as the case may be,  
5 in accordance with the terms of the policy;

6 **(4) a provision that the insured may transfer benefits to another**  
7 **person if the other person is insured under the same policy and is the spouse or**  
8 **dependent child of the insured.**

9 \* **Sec. 2.** This Act applies to a policy of group disability insurance that is entered into or  
10 renewed on or after the effective date of this Act.

11 \* **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).