

#### **507A.4 Transactions where law not applicable.**

The provisions of this chapter shall not apply to:

1. The lawful transaction of surplus lines insurance as permitted by sections 515.147 to 515.149.
2. The lawful transaction of reinsurance by insurers.
3. Attorneys acting in the ordinary relation of attorney and client in the adjustment of claims or losses.
4. Transactions in this state involving a policy lawfully solicited, written, and delivered outside of this state, covering subjects of insurance not resident located, or expressly to be performed in this state at the time of issue, and which transactions are subsequent to the issuance of the policy.
5. Transactions in this state involving group or blanket insurance and group annuities where the master policy of such groups was lawfully issued and delivered in a state in which the company was authorized to do an insurance business.
6. Transactions in this state involving any policy of insurance issued prior to July 1, 1967.
7. Insurance on vessels, craft or hulls, cargoes, marine builder's risk, marine protection and indemnity or other risk including strikes and war risks commonly insured under ocean or wet marine forms of policy.
8. Transactions involving risks located in this state where the policy or contract of insurance for such risk was principally negotiated and delivered outside this state and was lawfully issued in a state or foreign country in which the foreign or alien insurer was authorized to do an insurance business, and where such insurer has no contact with this state except in connection with inspections or losses required by virtue of the contract or policy of insurance covering the risk located in this state.
9. *a.* Transactions involving a multiple employer welfare arrangement, as defined in section 3 of the federal Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1002, paragraph 40, if the multiple employer welfare arrangement meets all of the following conditions:
  - (1) The arrangement is administered by an authorized insurer or an authorized third-party administrator.
  - (2) The arrangement has been in existence and provided health insurance in Iowa for at least five years prior to July 1, 1997.
  - (3) The arrangement was established by a trade, industry, or professional association of employers that has a constitution or bylaws, and has been organized and maintained in good faith for at least ten continuous years prior to July 1, 1997.
  - (4) The arrangement registers with and obtains a certificate of registration issued by the commissioner of insurance.
  - (5) The arrangement is subject to the jurisdiction of the commissioner of insurance, including regulatory oversight and solvency standards as established by rules adopted by the commissioner of insurance pursuant to chapter 17A.
- b.* A multiple employer welfare arrangement registered with the commissioner of insurance that does not meet the solvency standards established by rule adopted by the commissioner of insurance is subject to chapter 507C.

*c.* A multiple employer welfare arrangement that meets all of the conditions of paragraph "a" shall not be considered any of the following:

- (1) An insurance company or association of any kind or character under section 432.1.
- (2) A member of the Iowa individual health benefit reinsurance association under section 513C.10.
- (3) A member insurer of the Iowa life and health insurance guaranty association under section 508C.5, subsection 8.

*d.* A multiple employer welfare arrangement registered with the commissioner of insurance shall file with the commissioner of insurance on or before March 1 of each year a copy of the report required to be filed with the United States department of labor pursuant to 29 C.F.R. § 2520.101-2.

*e.* When not otherwise provided, a foreign or domestic multiple employer welfare arrangement doing business in this state shall pay to the commissioner of insurance the fees as required in section 511.24.

[C71, 73, 75, 77, 79, 81, § 507A.4]

94 Acts, ch 1038, §1, 3; 95 Acts, ch 33, § 1; 96 Acts, ch 1024, § 1; 97 Acts, ch 67, §1, 2; 98 Acts, ch 1012, §1; 2001 Acts, ch 13, §1, 35; 2001 Acts, ch 69, §4, 39; 2003 Acts, ch 91, §4; 2003 Acts, 1st Ex, ch 2, §39, 209