

CHAPTER 197.

GROUP LIFE INSURANCE.

H. F. 546.

AN ACT defining group life insurance, authorizing chapter six (6) life insurance companies to issue contracts providing for such group life insurance, fixing the terms under which such group life insurance can be written, prescribing certain provisions and conditions to be embodied in such a life insurance contract, and waiving the medical examination required by section seventeen hundred eighty-three-b (1783-b), supplement to the code, 1913, in all cases of such group life insurance.

Be it enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Group life insurance defined. Group life insur-
 2 ance is hereby declared to be that form of life insurance covering not
 3 less than fifty employes, with or without medical examination, written
 4 under a policy issued to the employer, the premium on which is to
 5 be paid by the employer or by the employer and employes jointly, and
 6 insuring only all of his employes, or all of any class or classes thereof
 7 determined by conditions pertaining to the employment, for amounts
 8 of insurance based upon some plan which will preclude individual selec-
 9 tion, for the benefit of persons other than the employer; provided,
 10 however, that when the premium is to be paid by the employer and
 11 employe jointly and the benefits of the policy are offered to all eligible
 12 employes, not less than seventy-five per centum of such employes may
 13 be so insured.

SEC. 2. Level premium life insurance companies — contracts.

1 Any level premium life insurance company, organized on the stock
 2 or mutual plan and authorized to transact insurance business under
 3 the provisions of chapter 6, title IX, of the code, may, by complying
 4 with the provisions of said chapter six and with the provisions of this
 5 act, issue contracts providing for group life insurance as defined in
 6 section 1 hereof.

SEC. 3. Policy of group insurance — provisions — domestic life
 1 companies — employer deemed policy holder holder. No policy of

2 group insurance shall be issued or delivered in this state unless and
 3 until a copy of the form thereof has been filed with the commissioner
 4 of insurance and approved by him; nor shall such policy be so issued
 5 or delivered unless it contains in substance the following provisions:
 6 (1) A provision that the policy shall be incontestable after two
 7 years from its date of issue, except for nonpayment of premiums and
 8 except for violation of the conditions of the policy relating to military
 9 or naval service in time of war.

10 (2) A provision that the policy, the application of the employer
 11 and the individual applications, if any, of the employes insured, shall
 12 constitute the entire contract between the parties, and that all state-
 13 ments made by the employer or by the individual employes shall, in
 14 the absence of fraud, be deemed representations and not warranties,
 15 and that no such statement shall be used in defense to a claim under
 16 the policy, unless it is contained in a written application.

17 (3) A provision for the equitable adjustment of the premium or
 18 the amount of insurance payable in the event of a misstatement of
 19 the age of an employe.

20 (4) A provision that the company will issue to the employer for
 21 delivery to the employe, whose life is insured under such policy, an
 22 individual certificate setting forth a statement as to the insurance
 23 protection to which he is entitled, to whom payable, together with
 24 provision to the effect that in case of the termination of the employ-
 25 ment for any reason whatsoever the employe shall be entitled to have
 26 issued to him by the company, without further evidence of insurability,
 27 and upon application made to the company within thirty-one days
 28 after such termination and upon the payment of the premium appli-
 29 cable to the class of risk to which he belongs and to the form and
 30 amount of the policy at his then attained age, a policy of life insurance
 31 in any one of the forms customarily issued by the company, except
 32 term insurance, in an amount equal to the amount of his protection
 33 under such group insurance policy at the time of such termination.

34 (5) A provision that to the group or class thereof originally
 35 insured shall be added from time to time all new employes of the
 36 employer eligible to insurance in such group or class.

37 Policies of group insurance, when issued in this state by any com-
 38 pany not organized under the laws of this state, may contain, when
 39 issued, any provision required by the law of the state, or territory,
 40 or district of the United States under which the company is organized;
 41 and policies issued in other states or countries by companies organ-
 42 ized in this state, may contain any provision required by the laws of
 43 the state, territory, district or country, in which the same are issued,
 44 anything in this section to the contrary notwithstanding. Any such
 45 policy may be issued or delivered in this state which in the opinion
 46 of the commissioner of insurance contains provisions on any one or
 47 more of the several foregoing requirements more favorable to the
 48 employer or to the employe than hereinbefore required.

49 In every group policy issued by a domestic life insurance company,
 50 the employer shall be deemed to be the policyholder for all purposes
 51 within the meaning of this chapter, and, if entitled to vote at meetin^{gs}
 52 of the company, shall be entitled to one vote thereat.

1 SEC. 4. Policy or proceeds—garnishment, etc.—debts. No pol-
 2 icy of group insurance, nor the proceeds thereof, when paid to any
 3 employe or employes thereunder, shall be liable to attachment, gar-
 4 nishment, or other process, or to be seized, taken, appropriated or
 5 applied by any legal or equitable process or operation of law, to pay
 6 any debt or liability of such employe, or his beneficiary, or any other
 7 person who may have a right thereunder, either before or after pay-
 8 ment; nor shall the proceeds thereof, when not made payable to a
 9 named beneficiary, constitute a part of the estate of the employe for
 10 the payment of his debts.

1 SEC. 5. Medical examination. The provisions of section seven-
 2 teen hundred eighty-three-b (1783-b), supplement to the code, 1913,
 3 relating to medical examination of applicants, shall not apply to insur-
 4 ance written under this act.

Approved April 10, A. D. 1919.

[Note—Preceding the last paragraph of Sec. 3 there appears in the enrolled act the following: "Sec. 3"—a repetition of section number and a manifest error, which we eliminate.—Ed.]