

2020 Regular Session

SENATE BILL NO. 47

BY SENATOR ROBERT MILLS

LIFE INSURANCE. Provides relative to standard provisions for group life policies. (8/1/20)

1 AN ACT
2 To amend and reenact R.S. 22:942(6) and (9), relative to standard provisions for group life
3 policies; to provide for funeral expenses; to provide for continuation of coverage;
4 and to provide for related matters.
5 Be it enacted by the Legislature of Louisiana:
6 Section 1. R.S. 22:942(6) and (9) are hereby amended and reenacted to read as
7 follows:
8 §942. Standard provisions for group life policies
9 Each policy of group life insurance as defined in R.S. 22:941 shall contain
10 in substance the following provisions or, at the option of the insurer, provisions
11 which in the opinion of the commissioner of insurance are not less favorable to the
12 policyholder; however, Paragraphs (6) through (12) of this Section shall not apply
13 to policies described in R.S. 22:941(A)(3), except that, where policies are issued
14 pursuant to that Paragraph, the insurer shall issue to the policyholder for delivery to
15 the person whose life is insured an individual certificate setting forth the insurance
16 protection afforded, to whom it is payable, information relating to notice and proof
17 of loss, and that the standard provisions required for individual life insurance policies

1 shall not apply to group life insurance policies:

2 * * *

3 (6) Beneficiary. A provision that any sum becoming due by reason of the
4 death of the individual insured shall be payable to the beneficiary designated by such
5 individual, subject to the provisions of the policy in the event there is no designated
6 beneficiary, as to all or any part of ~~such~~ the sum, living at the death of the individual
7 insured and subject to any right reserved by the insurer in the policy and set forth in
8 the certificate to pay at its option a part of ~~such~~ the sum not exceeding two ~~hundred~~
9 ~~and fifty~~ **thousand five hundred** dollars to any person appearing to the insurer to be
10 equitably entitled thereto by reason of having incurred funeral or other expenses
11 incident to the last illness or death of the individual insured.

12 * * *

13 (9) Continuation to end of premium period. A provision, except in the case
14 of a policy described in R.S. 22:941~~(B)(4)~~(A)(3), that the termination of the
15 employment of any employee or the membership of a member shall not terminate the
16 insurance of such employee or member under the group policy until the expiration
17 of such period for which the premium for such employee or member has been paid,
18 not exceeding thirty-one days.

19 * * *

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by LG Sullivan.

DIGEST

SB 47 Original 2020 Regular Session Robert Mills

Present law requires certain standard provisions to be included in group life insurance policies. Limits payments to a nonbeneficiary for expenses incurred related to the death or last illness of the insured, including funeral expenses, to \$250.

Proposed law retains present law and increases the maximum payment to \$2,500.

Present law provides for continuation of coverage after the termination of employment.

Proposed law retains present law and makes technical corrections.

Effective August 1, 2020.

(Amends R.S. 22:942(6) and (9))