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Maine

REVISED STATUTES

1964

Prepared Under the Supervision of the Committee on Revision of Statutes

Being the Tenth Revision of the
Revised Statutes of the State
of Maine, 1964

Volume 4

Titles 21 to 25

Boston, Mass.
Boston Law Book Co.

Orford, N. H.
Equity Publishing Corporation

St. Paul, Minn.
West Publishing Co.

Text of Revised Statutes
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CHAPTER 5

ACCIDENT AND HEALTH INSURANCE

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§ 801. Definitions

1. Policy of accident and sickness insurance. The term "policy of accident and sickness insurance" as used in sections 801 to 804 includes any policy or contract providing insurance against loss resulting from bodily injury or death by accident, or from sickness or both.

2. Noncancellable disability insurance. "Noncancellable disability insurance" means insurance against disability resulting from sickness, ailment or bodily injury, but not including insurance solely against accidental injury, under any contract which does not give the insurer the option to cancel or otherwise terminate the contract at or after one year from its effective date or renewal date.

R.S.1954, c. 60, § 116.

§ 802. Approval of policies; filing of rates

No such policy shall be delivered or issued for delivery to any person in this State, nor shall any application, rider or endorsement be used in connection therewith, until a copy of the form thereof and of the classification of risks and the premium rates, or, in the case of cooperatives or assessment companies the esti-

mated cost pertaining thereto, have been filed with the commissioner. No such policy shall be so delivered or issued for delivery, nor shall any application, rider or endorsement be used in connection therewith, until the expiration of 30 days after it has been so filed unless the commissioner shall sooner give his written approval thereto.

The commissioner may, within 30 days after the filing of any such form, disapprove such form (1) if the benefits provided therein are unreasonable in relation to the premium charged, provided that clause (1) shall not apply in the case of policy forms approved or disapproved in accordance with section 810, or (2) if it contains a provision or provisions which are unjust, unfair, inequitable, misleading, deceptive or encourage misrepresentation of such policy. If the commissioner shall notify the insurer which has filed any such form that it does not comply with this section or sections 56, 803 or 804, it shall be unlawful thereafter for such insurer to issue such form or use it in connection with any policy. In such notice, the commissioner shall specify the reasons for his disapproval and state that a hearing will be granted within 20 days after request in writing by the insurer.

The commissioner may at any time, after a hearing of which not less than 20 days' written notice shall have been given to the insurer, withdraw his approval of any such form on any of the grounds stated in this section. It shall be unlawful for such form to be delivered or issued for delivery in this State after the effective date of such withdrawal of approval. The notice of any hearing called under this paragraph shall specify the matters to be considered at such hearing, and any decision affirming disapproval or directing withdrawal of approval under this section shall be in writing and shall specify the reasons therefor.

R.S.1954, c. 60, § 117.

§ 803. Form and content of policy

1. Form and content.

A. No such policy shall be delivered or issued for delivery to any person in this State unless:

(1) The entire money and other considerations therefor are expressed therein; and

(2) The time at which the insurance takes effect and terminates is expressed therein; and

(3) It purports to insure only one person, except that a policy may insure, originally or by subsequent amend-

ment, upon the application of an adult member of a family who shall be deemed the policyholder, any 2 or more eligible members of that family, including husband, wife, dependent children or any children under a specified age which shall not exceed 19 years and any other person dependent upon the policyholder; and

(4) The style, arrangement and over-all appearance of the policy give no undue prominence to any portion of the text, and unless every printed portion of the text of the policy and of any endorsements or attached papers is plainly printed in light-faced type of a style in general use, the size of which shall be uniform and not less than 10-point with a lower-case, unspaced alphabet length not less than 120-point (the "text" shall include all printed matter except the name and address of the insurer, name or title of the policy, the brief description if any, and captions and subcaptions); and

(5) The exceptions and reductions of indemnity are set forth in the policy and, except those which are set forth in subsection 2, are printed, at the insurer's option, either included with the benefit provision to which they apply, or under an appropriate caption such as "EXCEPTIONS" or "EXCEPTIONS AND REDUCTIONS," provided if an exception or reduction specifically applies only to a particular benefit of the policy, a statement of such exception or reduction shall be included with the benefit provision to which it applies; and

(6) Each such form, including riders and endorsements, shall be identified by a form number in the lower left-hand corner of the first page thereof; and

(7) It contains no provisions purporting to make any portion of the charter, rules, constitution or bylaws of the insurer a part of the policy unless such portion is set forth in full in the policy, except in the case of the incorporation of, or reference to, a statement of rates or classification of risks, or short-rate table filed with the commissioner; and

(8) Countersigned by a duly licensed resident agent, which countersignature may be in facsimile when used solely in connection with personal accident insurance covering air travel on a common carrier issued through the medium of policy dispensing machines.

B. If any policy is issued by an insurer domiciled in this State for delivery to a person residing in another state,

and if the official having responsibility for the administration of the insurance laws of such other state shall have advised the commissioner that any such policy is not subject to approval or disapproval by such official, the commissioner may by ruling require that such policy meet the standards set forth in this section.

1955, c. 177.

2. Required and other provisions.

A. Required provisions. Except as provided in paragraph C, each such policy delivered or issued for delivery to any person in this State shall contain the provisions specified in this subsection in the words in which the same appear in this subsection. The insurer may, at its option, substitute for one or more of such provisions corresponding provisions of different wording approved by the commissioner which are in each instance not less favorable in any respect to the insured or the beneficiary. Such provisions shall be preceded individually by the caption appearing in this subsection or, at the option of the insurer, by such appropriate individual or group captions or subcaptions as the commissioner may approve.

(1) A provision as follows:

ENTIRE CONTRACT; CHANGES. This policy, including the endorsements and the attached papers, if any, constitutes the entire contract of insurance. No change in this policy shall be valid until approved by an executive officer of the insurer and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this policy or to waive any of its provisions.

(2) A provision as follows:

TIME LIMIT ON CERTAIN DEFENSES.

(a) After 3 years from the date of issue of this policy, no misstatements, except fraudulent misstatements, made by the applicant in the application for such policy shall be used to void the policy or to deny a claim for loss incurred or disability (as defined in the policy) commencing after the expiration of such 3-year period.

(The foregoing policy provision shall not be so construed as to affect any legal requirement for avoid-

ance of a policy or denial of a claim during such initial 3-year period, nor to limit the application of subsection 2, paragraph B, subparagraphs (1), (2), (3), (4) and (5) in the event of misstatement with respect to age or occupation or other insurance.)

(A policy which the insured has the right to continue in force subject to its terms by the timely payment of premium (1) until at least age 50 or, (2) in the case of a policy issued after age 44, for at least 5 years from its date of issue, may contain in lieu of the foregoing the following provision (from which the clause in parentheses may be omitted at the insurer's option) under the caption "INCONTESTABLE":

"After this policy has been in force for a period of 3 years during the lifetime of the insured (excluding any period during which the insured is disabled), it shall become incontestable as to the statements contained in the application.")

(b) No claim for loss incurred or disability (as defined in the policy) commencing after 3 years from the date of issue of this policy shall be reduced or denied on the ground that a disease or physical condition not excluded from coverage by name or specific description effective on the date of loss had existed prior to the effective date of coverage of this policy.

(3) A provision as follows:

GRACE PERIOD. A grace period of ..... (insert a number not less than "7" for weekly premium policies, "10" for monthly premium policies and "31" for all other policies) days will be granted for the payment of each premium falling due after the first premium, during which grace period the policy shall continue in force.

(A policy which contains a cancellation provision may add, at the end of the above provision:

"subject to the right of the insurer to cancel in accordance with the cancellation provision hereof."

A policy in which the insurer reserves the right to refuse any renewal shall have, at the beginning of the above provision:

"Unless not less than 5 days prior to the premium due date the insurer has delivered to the insured or has mailed to his last address as shown by the records of the insurer written notice of its intention not to renew this policy beyond the period for which the premium has been accepted,".)

(4) A provision as follows:

REINSTATEMENT. If any renewal premium be not paid within the time granted the insured for payment, a subsequent acceptance of premium by the insurer or by any agent duly authorized by the insurer to accept such premium, without requiring in connection therewith an application for reinstatement, shall reinstate the policy; provided, however, that if the insurer or such agent requires an application for reinstatement and issues a conditional receipt for the premium tendered, the policy will be reinstated upon approval of such application by the insurer or, lacking such approval, upon the 45th day following the date of such conditional receipt unless the insurer has previously notified the insured in writing of its disapproval of such application. The reinstated policy shall cover only loss resulting from such accidental injury as may be sustained after the date of reinstatement and loss due to such sickness as may begin more than 10 days after such date. In all other respects the insured and insurer shall have the same rights thereunder as they had under the policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with the reinstatement. Any premium accepted in connection with a reinstatement shall be applied to a period for which premium has not been previously paid, but not to any period more than 60 days prior to the date of reinstatement.

(The last sentence of the above provision may be omitted from any policy which the insured has the right to continue in force subject to its terms by the timely payment of premiums (1) until at least age 50 or, (2) in the case of a policy issued after age 44, for at least 5 years from its date of issue.)

(5) A provision as follows:

NOTICE OF CLAIM. Written notice of claim must be given to the insurer within 20 days after the occurrence

or commencement of any loss covered by the policy or as soon thereafter as is reasonably possible. Notice given by or on behalf of the insured or the beneficiary to the insurer at ..... (insert the location of such office as the insurer may designate for the purpose), or to any authorized agent of the insurer, with information sufficient to identify the insured, shall be deemed notice to the insurer.

(In a policy providing a loss-of-time benefit which may be payable for at least 2 years, an insurer may at its option insert the following between the first and 2nd sentences of the above provision:

"Subject to the qualifications set forth below, if the insured suffers loss of time on account of disability for which indemnity may be payable for at least 2 years, he shall, at least once in every 6 months after having given notice of claim, give to the insurer notice of continuance of said disability, except in the event of legal incapacity. The period of 6 months following any filing of proof by the insured or any payment by the insurer on account of such claim or any denial of liability in whole or in part by the insurer shall be excluded in applying this provision. Delay in the giving of such notice shall not impair the insured's right to any indemnity which would otherwise have accrued during the period of 6 months preceding the date on which such notice is actually given.".)

(6) A provision as follows:

CLAIM FORMS. The insurer, upon receipt of a notice of claim, will furnish to the claimant such forms as are usually furnished by it for filing proofs of loss. If such forms are not furnished within 15 days after the giving of such notice, the claimant shall be deemed to have complied with the requirements of this policy as to proof of loss upon submitting, within the time fixed in the policy for filing proofs of loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made.

(7) A provision as follows:

PROOFS OF LOSS. Written proof of loss must be furnished to the insurer at its said office in case of claim

for loss for which this policy provides any periodic payment contingent upon continuing loss within 90 days after the termination of the period for which the insurer is liable and in case of claim for any other loss within 90 days after the date of such loss. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity, later than one year from the time proof is otherwise required.

(8) A provision as follows:

TIME OF PAYMENT OF CLAIMS. Indemnities payable under this policy for any loss other than loss for which this policy provides any periodic payment will be paid immediately upon receipt of due written proof of such loss. Subject to due written proof of loss, all accrued indemnities for loss for which this policy provides periodic payment will be paid ..... (insert period for payment which must not be less frequently than monthly) and any balance remaining unpaid upon the termination of liability will be paid immediately upon receipt of due written proof.

(9) A provision as follows:

PAYMENT OF CLAIMS. Indemnity for loss of life will be payable in accordance with the beneficiary designation and the provisions respecting such payment which may be prescribed herein and effective at the time of payment. If no such designation or provision is then effective, such indemnity shall be payable to the estate of the insured. Any other accrued indemnities unpaid at the insured's death may, at the option of the insurer, be paid either to such beneficiary or to such estate. All other indemnities will be payable to the insured.

(The following provisions, or either of them, may be included with the foregoing provision at the option of the insurer:

"If any indemnity of this policy shall be payable to the estate of the insured, or to an insured or beneficiary who is a minor or otherwise not competent to give a valid release, the insurer may pay

such indemnity, up to an amount not exceeding $..... (insert an amount which shall not exceed $1,000), to any relative by blood or connection by marriage of the insured or beneficiary who is deemed by the insurer to be equitably entitled thereto. Any payment made by the insurer in good faith pursuant to this provision shall fully discharge the insurer to the extent of such payment.

Subject to any written direction of the insured in the application or otherwise, all or a portion of any indemnities provided by this policy on account of hospital, nursing, medical or surgical services may, at the insurer's option and unless the insured requests otherwise in writing not later than the time of filing proofs of such loss, be paid directly to the hospital or person rendering such services, but it is not required that the service be rendered by a particular hospital or person.".)

(10) A provision as follows:

PHYSICAL EXAMINATIONS AND AUTOPSY. The insurer, at its own expense, shall have the right and opportunity to examine the person of the insured when and as often as it may reasonably require during the pendency of a claim hereunder and to make an autopsy in case of death where it is not forbidden by law.

(11) A provision as follows:

LEGAL ACTIONS. No civil action shall be brought to recover on this policy prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of this policy. No such action shall be brought after the expiration of 3 years after the time written proof of loss is required to be furnished.

(12) A provision as follows:

CHANGE OF BENEFICIARY. Unless the insured makes an irrevocable designation of beneficiary, the right to change of beneficiary is reserved to the insured and the consent of the beneficiary or beneficiaries shall not be requisite to surrender or assignment of this policy or to any change of beneficiary or beneficiaries, or to any other changes in this policy.

(The first clause of this provision, relating to the irrevocable designation of beneficiary, may be omitted at the insurer's option.)

B. Other provisions. Except as provided in paragraph C, no such policy delivered or issued for delivery to any person in this State shall contain provisions respecting the matters set forth below unless such provisions are in the words in which the same appear in this subsection. The insurer may, at its option, use in lieu of any such provision a corresponding provision of different wording approved by the commissioner which is not less favorable in any respect to the insured or the beneficiary. Any such provision contained in the policy shall be preceded individually by the appropriate caption appearing in this subsection or, at the option of the insurer, by such appropriate individual or group captions or subcaptions as the commissioner may approve.

(1) A provision as follows:

CHANGE OF OCCUPATION. If the insured be injured or contract sickness after having changed his occupation to one classified by the insurer as more hazardous than that stated in this policy or while doing for compensation anything pertaining to an occupation so classified, the insurer will pay only such portion of the indemnities provided in this policy as the premium paid would have purchased at the rates and within the limits fixed by the insurer for such more hazardous occupation. If the insured changes his occupation to one classified by the insurer as less hazardous than that stated in this policy, the insurer, upon receipt of proof of such change of occupation, will reduce the premium rate accordingly, and will return the excess pro rata unearned premium from the date of change of occupation or from the policy anniversary date immediately preceding receipt of such proof, whichever is the more recent. In applying this provision, the classification of occupational risk and the premium rates shall be such as have been last filed by the insurer prior to the occurrence of the loss for which the insurer is liable or prior to date of proof of change in occupation with the state official having supervision of insurance in the State where the insured resided at the time this policy was issued; but if such filing was not required, then the classification of occupational risk and the premium rates

shall be those last made effective by the insurer in such state prior to the occurrence of the loss or prior to the date of proof of change in occupation.

(2) A provision as follows:

MISSTATEMENT OF AGE. If the age of the insured has been misstated, all amounts payable under this policy shall be such as the premium paid would have purchased at the correct age.

(3) A provision as follows:

OTHER INSURANCE IN THIS INSURER. If an accident or sickness or accident and sickness policy or policies previously issued by the insurer to the insured be in force concurrently herewith, making the aggregate indemnity for ..... (insert type of coverage or coverages) in excess of $..... (insert maximum limit of indemnity or indemnities), the excess insurance shall be void and all premiums paid for such excess shall be returned to the insured or to his estate.

(or in lieu thereof:)

Insurance effective at any one time on the insured under a like policy or policies in this insurer is limited to the one such policy elected by the insured, his beneficiary or his estate, as the case may be, and the insurer will return all premiums paid for all other such policies.

(4) A provision as follows:

INSURANCE WITH OTHER INSURERS. If there be other valid coverage, not with this insurer, providing benefits for the same loss on a provision of service basis or on an expense incurred basis and of which this insurer has not been given written notice prior to the occurrence or commencement of loss, the only liability under any expense incurred coverage of this policy shall be for such proportion of the loss as the amount which would otherwise have been payable hereunder plus the total of the like amounts under all such other valid coverages for the same loss of which this insurer had notice bears to the total like amounts under all valid coverages for such loss, and for the return of such portion of the premiums paid as shall exceed the pro rata portion for the amount so determined. For the purpose of

applying this provision, when other coverage is on a provision of service basis, the "like amount" of such other coverage shall be taken as the amount which the services rendered would have cost in the absence of such coverage.

(If the foregoing policy provision is included in a policy which also contains the next following policy provision, there shall be added to the caption of the foregoing provision the phrase: "; EXPENSE INCURRED BENEFITS." The insurer may, at its option, include in this provision a definition of "other valid coverage," approved as to form by the commissioner, which definition shall be limited in subject matter to coverage provided by organizations subject to regulation by insurance law or by insurance authorities of this or any other state of the United States or any province of Canada, and by hospital or medical service organizations, and to any other coverage the inclusion of which may be approved by the commissioner. In the absence of such definition, such term shall not include group insurance, automobile medical payments insurance, or coverage provided by hospital or medical service organizations or by union welfare plans or employer or employee benefit organizations. For the purpose of applying the foregoing policy provision with respect to any insured, any amount of benefit provided for such insured pursuant to any compulsory benefit statute (including any workmen's compensation or employer's liability statute), whether provided by a governmental agency or otherwise, shall in all cases be deemed to be "other valid coverage" of which the insurer has had notice. In applying the foregoing policy provision no third party liability coverage shall be included as "other valid coverage".)

(5) A provision as follows:

INSURANCE WITH OTHER INSURERS. If there be other valid coverage, not with this insurer, providing benefits for the same loss on other than an expense incurred basis and of which this insurer has not been given written notice prior to the occurrence or commencement of loss, the only liability for such benefits under this policy shall be for such proportion of the indemnities otherwise provided hereunder for such loss as the like indemnities of which the insurer had notice (includ-

ing the indemnities under this policy) bear to the total amount of all like indemnities for such loss, and for the return of such portion of the premium paid as shall exceed the pro rata portion for the indemnities thus determined.

(If the foregoing policy provision is included in a policy which also contains the next preceding policy provision, there shall be added to the caption of the foregoing provision the phrase: "; OTHER BENEFITS". The insurer may, at its option, include in this provision a definition of "other valid coverage", approved as to form by the commissioner, which definition shall be limited in subject matter to coverage provided by organizations subject to regulation by insurance law or by insurance authorities of this or any other state of the United States or any province of Canada, and to any other coverage the inclusion of which may be approved by the commissioner. In the absence of such definition, such term shall not include group insurance, or benefits provided by union welfare plans or by employer or employee benefit organizations. For the purpose of applying the foregoing policy provision with respect to any insured, any amount of benefit provided for such insured pursuant to any compulsory benefit statute (including any workmen's compensation or employer's liability statute) whether provided by a governmental agency or otherwise shall in all cases be deemed to be "other valid coverage" of which the insurer has had notice. In applying the foregoing policy provision no third party liability coverage shall be included as "other valid coverage".)

(6) A provision as follows:

RELATION OF EARNINGS TO INSURANCE. If the total monthly amount of loss of time benefits promised for the same loss under all valid loss of time coverage upon the insured, whether payable on a weekly or monthly basis, shall exceed the monthly earnings of the insured at the time disability commenced or his average monthly earnings for the period of 2 years immediately preceding a disability for which claim is made, whichever is the greater, the insurer will be liable only for such proportionate amount of such benefits under this policy as the amount of such monthly earnings or

such average monthly earnings of the insured bears to the total amount of monthly benefits for the same loss under all such coverage upon the insured at the time such disability commences and for the return of such part of the premiums paid during such 2 years as shall exceed the pro rata amount of the premiums for the benefits actually paid hereunder; but this shall not operate to reduce the total monthly amount of benefits payable under all such coverage upon the insured below the sum of $200 or the sum of the monthly benefits specified in such coverages, whichever is the lesser, nor shall it operate to reduce benefits other than those payable for loss of time. (The foregoing policy provision may be inserted only in a policy which the insured has the right to continue in force subject to its terms by the timely payment of premiums (1) until at least age 50 or, (2) in the case of a policy issued after age 44, for at least 5 years from its date of issue. The insurer may, at its option, include in this provision a definition of "valid loss of time coverage", approved as to form by the commissioner, which definition shall be limited in subject matter to coverage provided by governmental agencies or by organizations subject to regulation by insurance law or by insurance authorities of this or any other state of the United States or any province of Canada, or to any other coverage the inclusion of which may be approved by the commissioner or any combination of such coverages. In the absence of such definition such term shall not include any coverage provided for such insured pursuant to any compulsory benefit statute (including any workmen's compensation or employer's liability statute), or benefits provided by union welfare plans or by employer or employee benefit organizations.)

(7) A provision as follows:

UNPAID PREMIUM. Upon the payment of a claim under this policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

(8) A provision as follows:

CANCELLATION. The insurer may cancel this policy at any time by written notice delivered to the insured, or mailed to his last address as shown by the records

of the insurer, stating when, not less than 5 days thereafter, such cancellation shall be effective; and after the policy has been continued beyond its original term, the insured may cancel this policy at any time by written notice delivered or mailed to the insurer, effective upon receipt or on such later date as may be specified in such notice. In the event of cancellation, the insurer will return promptly the unearned portion of any premium paid. If the insured cancels, the earned premium shall be computed by the use of the short-rate table last filed with the state official having supervision of insurance in the state where the insured resided when the policy was issued. If the insurer cancels, the earned premium shall be computed pro rata. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation.

(9) A provision as follows:

CONFORMITY WITH STATE STATUTES. Any provision of this policy which, on its effective date, is in conflict with the statutes of the State in which the insured resides on such date is hereby amended to conform to the minimum requirements of such statutes.

(10) A provision as follows:

ILLEGAL OCCUPATION. The insurer shall not be liable for any loss to which a contributing cause was the insured's commission of or attempt to commit a felony or to which a contributing cause was the insured's being engaged in an illegal occupation.

(11) A provision as follows:

INTOXICANTS AND NARCOTICS. The insurer shall not be liable for any loss sustained or contracted in consequence of the insured's being intoxicated or under the influence of any narcotic, unless administered on the advice of physician.

C. Inapplicable or inconsistent provisions. If any provision of this section is in whole or in part inapplicable to or inconsistent with the coverage provided by a particular form of policy the insurer, with the approval of the commissioner, shall omit from such policy any inapplicable provision or part of a provision, and shall modify any inconsistent provision or part of the provision in such manner as to make

the provision as contained in the policy consistent with the coverage provided by the policy.

D. Order of certain policy provisions. The provisions which are the subject of this section, or any corresponding provisions which are used in lieu thereof in accordance with this section, shall be printed in the consecutive order of the provisions in this section or, at the option of the insurer, any such provision may appear as a unit in any part of the policy, with other provisions to which it may be logically related, provided the resulting policy shall not be in whole or in part unintelligible, uncertain, ambiguous, abstruse or likely to mislead a person to whom the policy is offered, delivered or issued.

E. Third party ownership. The word "insured," as used in sections 801 to 804, shall not be construed as preventing a person other than the insured with a proper insurable interest from making application for and owning a policy covering the insured or from being entitled under such a policy to any indemnities, benefits and rights provided therein.

F. Requirements of other jurisdictions.

(1) Any policy of a foreign or alien insurer, when delivered or issued for delivery to any person in this State, may contain any provision which is not less favorable to the insured or the beneficiary than the provisions of sections 801 to 804 and which is prescribed or required by the law of the state under which the insurer is organized.

(2) Any policy of a domestic insurer may, when issued for delivery in any other state or country, contain any provision permitted or required by the laws of such other state or country.

1961, c. 317, § 195.

3. Lapse of policy. No policy of insurance referred to in sections 801 to 804 issued or delivered in this State, except a policy which by its terms is cancelable by the company or is renewable or continuable with its consent, or except a policy the premiums for which are payable monthly or at shorter intervals, shall terminate or lapse for nonpayment of any premium until the expiration of 3 months from the due date of such premium, unless the company, within not less than 10 nor more than 45 days prior to said due date, shall have mailed, postage prepaid,

duly addressed to the insured at his last address shown by the company's records, a notice showing the amount of such premium and its due date. If such a notice is not so sent, the insured may pay the premium in default at any time within said period of 3 months. The affidavit of any officer, clerk or agent of the company, or of any other person authorized to mail such notice, that the notice required by this subsection has been duly mailed by the company in the manner required shall be prima facie evidence that such notice was duly given. No action shall be maintained on any policy to which this subsection applies and which has lapsed for nonpayment of any premium unless such action is commenced within 2 years from the due date of such premium.

R.S.1954, c. 60, § 118; 1955, c. 177; 1961, c. 317, § 195.

§ 804. Miscellaneous requirements

1. Conforming to statute.

A. No policy provision which is not subject to section 803 shall make a policy, or any portion thereof, less favorable in any respect to the insured or the beneficiary than the provisions thereof which are subject to section 803.

B. A policy delivered or issued for delivery to any person in this State in violation of section 803 shall be held valid but shall be construed as provided in section 803. When any provision in a policy subject to section 803 is in conflict with any provision of section 803, the rights, duties and obligations of the insurer, the insured and the beneficiary shall be governed by section 803.

2. Application.

A. The insured shall not be bound by any statement made in an application for a policy unless a copy of such application is attached to or endorsed on the policy when issued as a part thereof. If any such policy delivered or issued for delivery to any person in this State shall be reinstated or renewed, and the insured or the beneficiary or assignee of such policy shall make written request to the insurer for a copy of the application, if any, for such reinstatement or renewal, the insurer shall within 15 days after the receipt of such request at its home office or any branch office of the insurer, deliver or mail to the person making such request, a copy of such application. If such copy shall not be so delivered or mailed, the insurer shall be precluded from

introducing such application as evidence in any action or proceeding based upon or involving such policy or its reinstatement or renewal.

B. No alteration of any written application for any such policy shall be made by any person other than the applicant without his written consent, except that insertions may be made by the insurer, for administrative purposes only, in such manner as to indicate clearly that such insertions are not to be ascribed to the applicant.

C. The falsity of any statement in the application for any policy covered by section 803 may not bar the right to recovery thereunder unless such false statement materially affected either the acceptance of the risk or the hazard assumed by the insurer.

3. Notice; waiver. The acknowledgment by any insurer of the receipt of notice given under any policy covered by sections 801 to 804, or the furnishing of forms for filing proofs of loss, or the acceptance of such proofs, or the investigation of any claim thereunder shall not operate as a waiver of any of the rights of the insurer in defense of any claim arising under such policy.

4. Age limit. If any such policy contains a provision establishing, as an age limit or otherwise, a date after which the coverage provided by the policy will not be effective, and if such date falls within a period for which premium is accepted by the insurer or if the insurer accepts a premium after such date, the coverage provided by the policy will continue in force, subject to any right of cancellation, until the end of the period for which premium has been accepted. In the event the age of the insured has been misstated and if, according to the correct age of the insured, the coverage provided by the policy would not have become effective, or would have ceased prior to the acceptance of such premium or premiums, then the liability of the insurer shall be limited to the refund, upon request, of all premiums paid for the period not covered by the policy.

5. Nonapplication to certain policies. Unless otherwise specifically stated, nothing in sections 801 to 804 shall apply to or affect (1) any policy of workmen's compensation insurance or any policy of liability insurance with or without supplementary expense coverage therein; or (2) any policy or contract of reinsurance; or (3) any blanket or group policy of insurance; or (4) life insurance, endowment or annuity contracts, or contracts supplemental thereto which contain only such provisions relating

to accident and sickness insurance as (a) provide additional benefits in case of death or dismemberment or loss of sight by accident, or as (b) operate to safeguard such contracts against lapse, or to give a special surrender value or special benefit or an annuity in the event that the insured or annuitant shall become totally and permanently disabled, as defined by the contract or supplemental contract.

R.S.1954, c. 60, § 119.

§ 805. Contracts by or for benefit of minors

Any person domiciled in this State who is not of the full age of 21 years but who is of the age as determined by the nearest birthday of not less than 18 years, shall be deemed competent to contract for health insurance, as defined, for the benefit of and payable to such minor, and to exercise and enjoy every right, privilege and benefit provided by any such health insurance contract, and to give a full and binding acquittance and discharge for any amounts payable by the insurance company under such contract, provided that prior to such payment the company has not received written notice of the appointment of a duly qualified guardian or conservator of the property of such minor. As used in this section, "health insurance" shall include individual policies of accident and sickness insurance providing hospital, surgical, medical expense, disability income and related benefits.

1963, c. 258, § 2.

§ 806. Group insurance

1. Definition. Any policy or contract of insurance against death or injury resulting from accident or from accidental means which covers more than one person, except blanket accident policies as defined in section 807 and family accident and sickness policies conforming to section 803, subsection 1, shall be deemed a group accident insurance policy. Any policy or contract which insures against disablement, disease or sickness of the insured, excluding disablement which results from accident or from accidental means, and which covers more than one person, except blanket sickness insurance policies as defined in section 807 and family accident and sickness policies conforming to section 803, subsection 1, shall be deemed a group sickness insurance policy or contract. Any policy or contract of insurance which combines the coverage of group accident insurance and of group sickness insurance shall be deemed a group accident and sickness insur-

ance policy. No policy or contract of group accident, group sickness or group accident and sickness insurance, and no certificate thereunder, shall be delivered or issued for delivery in this State unless it conforms to the requirements of subsection 2 and the requirement of section 808.

2. Requirements. No policy or contract or group accident, group sickness or group accident and sickness insurance, except as otherwise provided by law, shall be delivered or issued for delivery in this State unless the group of persons thereby insured conforms to one of the following descriptions:

A. A policy issued to an employer or to the trustees of a fund established by an employer, which employer or trustee shall be deemed the policyholder, to insure employees of the employer for the benefit of persons other than the employer, subject to the following requirements:

(1) The employees eligible for insurance under the policy shall be all of the employees of the employer, or all of any class or classes thereof determined by conditions pertaining to their employment. The policy may provide that the term "employees" shall include the employees of one or more subsidiary corporations and the employees, individual proprietors and partners of one or more affiliated corporations, proprietors or partnerships, if the business of the employer and of such affiliated corporations, proprietors or partnerships is under common control through stock ownership or contract. The policy may provide that the term "employees" shall include the individual proprietor or partners, if the employer is an individual proprietor or a partnership. No director of a corporate employer shall be eligible for insurance under the policy unless such person is otherwise eligible as a bona fide employee of the corporation by performing services other than the usual duties of a director. No individual proprietor or partner shall be eligible for insurance under the policy unless he is actively engaged in and devotes a substantial part of his time to the conduct of the business of the proprietor or partnership.

(2) The premium for the policy shall be paid by the policyholder, either wholly from the employer's funds or funds contributed by him, or partly from such funds and partly from funds contributed by the insured em-

ployees, or wholly from funds contributed by the insured employees. A policy on which any part of the premium is to be derived from funds contributed by the insured employees may be placed in force only if at least 75% of the then eligible employees, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required contributions.

A policy on which no part of the premium is to be derived from funds contributed by the insured employees must insure all eligible employees, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

(3) The policy must cover at least 10 employees at date of issue.

(4) The amounts of insurance under the policy must be based upon some plan precluding individual selection either by the employees or by the employer or trustees.

B. A policy issued to a labor union or to an incorporated or unincorporated association of employees, which association has a constitution and bylaws and has 50 or more members and is organized and maintained in good faith for purposes other than that of obtaining insurance and has been so organized and maintained for a period of not less than 2 years prior to the issuance of such policy or contract, which shall be deemed the policyholder to insure members of such union or association for the benefit of persons other than the union or association or any of its officials, representatives or agents, subject to the following requirements:

(1) The members eligible for insurance under the policy shall be all of the members of the union or association or all of any class or classes thereof determined by conditions pertaining to their employment, or to membership in the union or association, or both.

(2) The premium for the policy shall be paid by the policyholder, either wholly from the union's or association's funds, or partly from such funds and partly from funds contributed by the insured members specifically for their insurance. No policy may be issued on which the entire premium is to be derived from funds contributed by the insured members specifically for their insurance. A policy on which part of the premium is

to be derived from funds contributed by the insured members specifically for their insurance may be placed in force only if at least 75% of the then eligible members, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required contributions. A policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

(3) The policy must cover at least 25 members at date of issue.

(4) The amounts of insurance under the policy must be based upon some plan precluding individual selection either by the members or by the union or association.

C. A policy issued to the trustees of a fund established by 2 or more employers in the same industry or by one or more labor unions, or by one or more employers and one or more labor unions, which trustees shall be deemed the policyholder, to insure employees of the employers or members of the unions for the benefit of persons other than the employers or the unions, subject to the following requirements:

(1) The persons eligible for insurance shall be all of the employees of the employers or all of the members of the unions, or all of any class or classes thereof determined by conditions pertaining to their employment, or to membership in the unions, or to both. The policy may provide that the term "employees" shall include the individual proprietor or partners if an employer is an individual proprietor or a partnership. No director of a corporate employer shall be eligible for insurance under the policy unless such person is otherwise eligible as a bona fide employee of the corporation by performing services other than the usual duties of a director. No individual proprietor or partner shall be eligible for insurance under the policy unless he is actively engaged in and devotes a substantial part of his time to the conduct of the business of the proprietor or partnership. The policy may provide that the term "employees" shall include the trustees or their employees, or both, if their duties are principally connected with such trusteeship.

(2) The premium for the policy shall be paid by the trustees wholly from funds contributed by the employer or employers of the insured persons, or by the union or unions, or by both. No policy may be issued on which any part of the premium is to be derived from funds contributed by the insured persons specifically for their insurance, except that any coverages provided under the policy with respect to the insured person's dependents may be paid entirely or in part by funds contributed by such insured person. The policy must insure all eligible persons, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

(3) The policy must cover at date of issue at least 100 persons and not less than an average of 5 persons per employer unit, except that, in the case of credit union employees the policy must cover at least 25 persons but shall not be subject to any required average number of employees covered per employer unit; and if the fund is established by the members of an association of employers the policy may be issued only if either:

(a) The participating employers constitute at date of issue at least 60% of those employer members whose employees are not already covered for the same or similar benefits under a plan maintained by their employer, or

(b) The total number of persons covered at date of issue exceeds 600.

(4) The amounts of insurance under the policy must be based upon some plan precluding individual selection either by the insured persons or by the policyholder, employers or unions.

D. A policy issued to a creditor, or to a trustee or trustees or agent designated by 2 or more creditors, which creditor, trustee, trustees or agent shall be deemed the policyholder, insuring a group of debtors of the creditor or a group of debtors of the 2 or more creditors, as the case may be, all as defined and set forth under section 1751, subsection 2, and under the same conditions and limitations as specified in said subsection, provided that the amount of indemnity payable with respect to any person insured thereunder shall not at any time exceed the aggregate of the periodic scheduled un-

paid installments, nor the sum of $15,000, whichever is less, and provided that nothing in this paragraph shall be construed or deemed to apply to or affect disability benefit provisions in group credit life insurance policies as authorized under section 1203, subsection 4.

1955, c. 226; 1963, c. 194; c. 235, § 1.

3. Payments; beneficiaries. The benefits payable under any policy or contract of group accident, group sickness or group accident and sickness insurance shall be payable to the employee or other insured member of the group or to some beneficiary or beneficiaries designated by him, other than the employer or the association or any officer thereof as such; but if there is no designated beneficiary as to all or any part of the insurance at the death of the employee or member, then the amount of insurance payable for which there is no designated beneficiary shall be payable to the estate of the employee or member, except that the insurer may in such case, at its option, pay such insurance to any one or more of the following surviving relatives of the employee or member: Wife, husband, mother, father, child or children, brothers or sisters; and except that payment of benefits for expenses incurred on account of hospitalization or medical or surgical aid, as provided in subsection 4, may be made by the insurer to the hospital or other person or persons furnishing such aid. Payment so made shall discharge the insurer's obligation with respect to the amount of insurance so paid.

4. Payment of expenses. Any policy or contract of group accident, group sickness or group accident and sickness insurance may include provisions for the payment by the insurer of benefits for expenses incurred, by the employee or other member of the insured group, on account of hospitalization or medical or surgical aid for himself, his spouse, his child or children, or other persons chiefly dependent upon him for support and maintenance.

5. Readjustment of rate of premium. Anything in sections 806 to 813 to the contrary notwithstanding, any policy or contract of group accident, group sickness or group accident and sickness insurance may provide for readjustment of the rate of premium based on the experience thereunder at the end of the first year or of any subsequent year of insurance thereunder, and such readjustment may be made retroactive only for such policy year. Any refund under any plan for readjustment of the rate of premium based on the experience under group policies and any

dividend paid under such policies may be used to reduce the employer's contribution to group insurance for the employees of the employer, and the excess over such contribution by the employer shall be applied by the employer for the sole benefit of the employees.

6. Applicability. Nothing contained in this section shall be deemed applicable to any contract issued by any corporation defined in chapter 19.

R.S.1954, c. 60, § 120; 1955, c. 226; 1963, c. 194; c. 235, § 1.

§ 807. Blanket insurance

1. Definition. Any policy or contract of insurance against death or injury resulting from accident or from accidental means which insures a group of persons conforming to the requirements of one of the following paragraphs A to G shall be deemed a blanket accident policy. Any policy or contract which insures a group of persons conforming to the requirements of one of the following paragraphs C or E against total or partial disability, excluding such disability from accident or from accidental means, shall be deemed a blanket sickness insurance policy. Any policy or contract of insurance which combines the coverage of blanket accident insurance and of blanket sickness insurance on such a group of persons shall be deemed a blanket accident and sickness insurance policy:

A. Under a policy or contract issued to any railroad, steamship, motorbus or airplane carrier of passengers, which shall be deemed the policyholder, covering a group defined as all persons who may become passengers on such common carrier, insuring such passengers against death or bodily injury either while or as a result of being such passengers.

B. Under a policy or contract issued to an employer, who shall be deemed the policyholder, covering any group of employees defined by reference to exceptional hazards incident to such employment, insuring such employees against death or bodily injury resulting while or from being exposed to such exceptional hazards.

C. Under a policy or contract, covering students, teachers or employees of a college, school or other institution of learning issued to the institution or to the head or principal thereof, who or which shall be deemed the policyholder.

D. Under a policy or contract issued in the name of any volunteer fire department, which shall be deemed the policy-

holder, having not less than 10 members, covering all of the members of such department.

E. Under a policy or contract issued to and in the name of an incorporated or unincorporated association of persons having a common interest or calling, which association shall be deemed the policyholder, having not less than 50 members, covering all of the members of such association.

F. Under a policy or contract issued in the name of a newspaper which shall be deemed the policyholder covering independent contractor newspaperboys.

G. Under a policy or contract issued to a sports team or to a camp, which team or camp owner or sponsor shall be deemed the policyholder, covering members or campers, including coaches, counsellors and other personnel.

1957, c. 175; 1959, c. 32; 1963, c. 414, § 73.

2. Payments; beneficiaries. All benefits under any blanket accident, blanket sickness or blanket accident and sickness insurance policy shall be payable to the person insured, or to his designated beneficiary or beneficiaries, or to his estate, as shall be specified in the policy, except that if the person insured be a minor, such benefits may be made payable to his parent, guardian or other person actually supporting him, or to a person or persons chiefly dependent upon him for support and maintenance.

3. Legal liability of policyholders. Nothing contained in this section shall be deemed to affect the legal liability of policyholders for the death of or injury to any such member of such group.

R.S.1954, c. 60, § 121; 1957, c. 175; 1959, c. 32; 1963, c. 414, § 73.

§ 808. Policy provisions for group or blanket insurance

1. Requirements. No policy of group or blanket accident or sickness insurance or accident and sickness insurance and no certificate thereunder shall, except as provided in subsection 3, be delivered or issued for delivery in this State, unless the policy contains in substance each and all of the provisions set forth in the following paragraphs or provisions, which in the opinion of the commissioner are more favorable to the holders of such certificates or not less favorable to the holders of such certificates and more favorable to policyholders:

A. A provision that no statement made by the applicant for insurance shall avoid the insurance or reduce benefits

thereunder unless contained in the written application signed by the applicant; and a provision that no agent has authority to change the policy or to waive any of its provisions; and that no change in the policy shall be valid unless approved by an officer of the insurer and evidenced by indorsement on the policy, or by amendment to the policy signed by the policyholder and the insurer.

B. A provision that all statements contained in any such application for insurance shall be deemed representations and not warranties.

C. A provision that all new employees or new members, as the case may be, in the groups or classes eligible for such insurance must be added to such groups or classes for which they are respectively eligible.

D. A provision stating the conditions under which the insurer may decline to renew the policy.

E. Except in the case of blanket accident, blanket sickness or blanket accident and sickness insurance, a provision that the insurer shall issue to the policyholder, for delivery to each member of the insured group, an individual certificate setting forth in summary form a statement of the essential features of the insurance coverage of such employee or such member, to whom the benefits thereunder are payable, and in substance the provisions of paragraphs F to L.

F. A provision specifying the ages, if any there be, to which the insurance provided therein shall be limited; and the ages, if any there be, for which additional restrictions are placed on benefits and the additional restrictions placed on the benefits at such ages.

G. A provision that written notice of sickness or of injury must be given to the insurer within 30 days after the date when such sickness or injury occurred. Failure to give notice within such time shall not invalidate nor reduce any claim if it shall be shown not to have been reasonably possible to give such notice and that notice was given as soon as was reasonably possible.

H. A provision that in the case of claim for loss of time for disability, written proof of such loss must be furnished to the insurer within 30 days after the commencement of the period for which the insurer is liable, and that subsequent written proofs of the continuance of such disability must be furnished to the insurer at such intervals as the insurer may

reasonably require, and that in the case of claim for any other loss, written proof of such loss must be furnished to the insurer within 90 days after the date of such loss. Failure to furnish such proof within such time shall not invalidate nor reduce any claim if it shall be shown not to have been reasonably possible to furnish such proof and that such proof was furnished as soon as was reasonably possible.

I. A provision that the insurer will furnish to the policyholder such forms as are usually furnished by it for filing proof of loss. If such forms are not furnished before the expiration of 15 days after the insurer receives notice of any claim under the policy, the person making such claim shall be deemed to have complied with the requirements of the policy as to proof of loss upon submitting within the time fixed in the policy for filing proof of loss, written proof covering the occurrence, character and extent of the loss for which claim is made.

J. A provision that the insurer shall have the right and opportunity to examine the person of the insured when and so often as it may reasonably require during the pendency of claim under the policy and also the right and opportunity to make an autopsy in case of death where it is not prohibited by law.

K. A provision that all benefits payable under the policy, other than benefits for loss of time, will be payable not more than 60 days after receipt of proof, and that, subject to due proof of loss, all accrued benefits payable under the policy for loss of time will be paid not later than at the expiration of each period of 30 days during the continuance of the period for which the insurer is liable, and that any balance remaining unpaid at the termination of such period will be paid immediately upon receipt of such proof.

L. A provision that no action at law or in equity shall be brought to recover on the policy prior to the expiration of 60 days after proof of loss has been filed in accordance with the requirements of the policy and that no such action shall be brought at all unless brought within 2 years from the expiration of the time within which proof of loss is required by the policy.

2. Exceptions. Any portion of any such policy, delivered or issued for delivery in this State, which purports, by reason of

the circumstances under which a loss is incurred, to reduce any benefits promised thereunder to an amount less than that provided for the same loss occurring under ordinary circumstances, shall be printed in such policy and in each certificate issued thereunder, in bold face type and with greater prominence than any other portion of the rest of such policy or certificate, respectively; and all other exceptions of the policy shall be printed in the policy and certificate with the same prominence as the benefits to which they apply. If any such policy contains any provision which affects the liability of the insurer because of any violation of law by the insured during the term of the policy, it shall be in the following form: The insurer shall not be liable for death, injury incurred or disease contracted, to which a contributing cause was the insured's commission of or attempt to commit a felony, or which occurs while the insured is engaged in an illegal occupation. If any such policy contains any provision which affects the liability of the insurer because of the insured's use of intoxicating liquor or narcotics during the term of the policy, it shall be in the following form: The insurer shall not be liable for death, injury incurred or disease contracted while the insured is intoxicated or under the influence of narcotics unless administered on the advice of a physician.

3. Approval by commissioner. The commissioner may approve any form of blanket accident or sickness or accident and sickness insurance policy, or any form of certificate to be issued under such policy, which omits or modifies any of the provisions hereinbefore required, if he deems such omission or modification suitable for the character of such insurance and not unjust to the persons insured thereunder.

4. Benefits. Any such group or blanket policy may include benefits payable on account of hospital or medical or surgical aid for an employee or other member of the group insured by such policy, his or her spouse, child or children or other dependents, and may provide that any such benefits be paid by the insurer directly to the hospital, physician, surgeon doctor, nurse or other person furnishing services covered by such provision of said policy.

R.S.1954, c. 60, § 122.

§ 809. Policies under franchise plan

1. Definition. Accident and sickness insurance on a franchise plan is declared to be that form of accident and sickness insurance issued to:

A. Five or more employees of any corporation, copartnership or individual employer or any governmental corporation, agency or department thereof, or

B. Ten or more members of any trade, occupational or professional association, or of a labor union, or of any other association having had an active existence for at least 2 years where such association or union has a constitution or bylaws and is formed in good faith for purposes other than that of obtaining insurance;

where such persons, with or without their dependents, are issued the same form of an individual policy varying only as to amounts and kinds of coverage applied for by such persons, under an arrangement whereby the premiums on such policies may be paid to the insurer periodically by the employer, with or without payroll deductions, or by the association for its members, or by some designated person acting on behalf of such employer or association or by the insured directly to the insurer, if permitted by the insurer.

1957, c. 101.

2. Effect of section 2905. Notwithstanding section 2905, subsection 7, paragraph B, such section shall not prohibit different rates charged, or benefits payable, or different underwriting procedure for individuals insured under a franchise plan, provided rates charged, benefits payable or underwriting procedure used do not discriminate between franchise plans.

R.S.1954, c. 60, § 123; 1957, c. 101.

§ 810. Application of provisions; rules and regulations

All policy forms mentioned in sections 806 to 809 shall be filed with and approved or disapproved by the commissioner in accordance with section 802. The commissioner may make reasonable rules and regulations necessary to effect the purpose of sections 801 to 804 and 806 to 811, and this authorization shall include the right to make the following requirements:

When a policy, other than a noncancellable policy, has neither a brief description nor a separate statement printed on the first page and on the filing back, referring to the renewal

conditions of the policy, a separately captioned provision, setting forth the conditions under which the policy may be renewed, must appear on the first page of the policy. The caption shall be clear and definite and shall be approved by the commissioner; but any one of the following captions is acceptable:

"RENEWAL SUBJECT TO CONSENT OF COMPANY.

RENEWAL SUBJECT TO COMPANY CONSENT.

RENEWABLE AT OPTION OF COMPANY."

If the policy is not renewable, a separate, appropriately captioned provision on the first page of the policy shall so state.

If the policy contains a cancellation provision, it must be separately set out and captioned "CANCELLATION"; and the existence of the cancellation provision shall be made known on the first page of the policy and a specific cross reference thereto made in the renewal provision.

The term "noncancellable," as used herein, means a policy which the insured may rightfully continue in force subject to its terms by the timely payment of premiums until at least age 50 or, in the case of a policy issued after age 44, for at least 5 years from its date of issue.

R.S.1954, c. 60, § 124.

§ 811. Revocation or suspension of license

Any person, partnership or corporation willfully violating any provision of sections 801 to 804 and 806 to 811, or an order of the commissioner made in accordance with those sections, shall forfeit to the people of the State a sum not to exceed $500 for each such violation, which may be recovered by a civil action. The commissioner may suspend or revoke the license of an insurer or agent for any such willful violation.

R.S.1954, c. 60, § 125.

§ 812. Application to be attached to policy

Every accident, sickness or casualty policy of insurance issued to a resident of this State by any insurance company, assessment association or fraternal order, which contains a reference to the application of the insured, either as a part of the policy or as having any bearing thereon, shall have attached thereto a correct copy of the application, and unless such copy

is so attached, the application shall not be considered a part of the policy or be received in evidence.

R.S.1954, c. 60, § 127.

§ 813. False or fraudulent statement

Any person who knowingly or willfully makes a false or fraudulent statement or representation in or relative to any application for accident, sickness or casualty insurance, or who makes any such statement for the purpose of obtaining a fee, commission, money or benefit in a corporation transacting such business in this State, shall be punished by a fine of not less than $100 nor more than $500, or by imprisonment for not less than 30 days nor more than 11 months, or by both. A person who willfully makes a false statement of any material fact or thing in a sworn statement as to the death or disability of a policy or certificate holder in any such corporation, for the purpose of procuring payment of a benefit named in the certificate of such holder, shall be guilty of perjury.

R.S.1954, c. 60, § 128.

§ 814. Exceptions

Sections 801 to 804 and 806 to 815 shall not apply to any contracts or policies of group, blanket or franchise plan insurance entered into or issued prior to September 1, 1949 nor to any extensions, renewals or modifications thereof or amendments thereto whenever made.

R.S.1954, c. 60, § 129.

§ 815. Appeals

Any order or decision of the commissioner, issued under sections 801 to 804 and 806 to 811, shall be subject to an appeal taken within 15 days after the date of such order or decision to the Superior Court held in and for the County of Kennebec at the instance of any party in interest and aggrieved by said order or decision. Such appeal shall be prosecuted by complaint to which such party shall annex the order or decision of the commissioner and the record upon which such order or decision is based and in which the appellant shall set out the substance of and the reasons for the appeal. Upon the presentation thereof, the court shall order notice thereon. Upon the evidence and after hearing, which shall be held not less than 7 days after notice thereof, the court may modify, affirm or reverse the order or decision of the commissioner in whole or in part in accordance with law and the weight of the evidence. The court shall,

upon hearing, determine whether the filing of the appeal shall operate as a stay of any such order or decision of the commissioner pending the final determination of the appeal, and may impose such terms and conditions as may be deemed proper.

An appeal may be taken to the law court as in other actions.

R.S.1954, c. 60, § 126; 1959, c. 317, § 30; 1961, c. 317, § 196; 1963, c. 414, § 74.

§ 816. Health insurance for the aged

Notwithstanding any contrary provision of this Title or of any other law, 2 or more insurance companies authorized to carry on the business of health insurance in this State may join together to offer to any resident of this State who has reached or passed his 65th birthday and to the spouse of such resident, insurance against major financial loss from accident or disease. Such insurance may be offered by such companies in their own names or in the name of a voluntary unincorporated association or other organization formed by such companies solely for the purpose of offering this type of insurance. The forms of applications, certificates and policies of such insurance and the applicable premium rates shall be filed with the commissioner and shall conform to the requirements of this Title as to forms of policies of accident and sickness insurance so far as practical and applicable and the commissioner may require such additional pertinent information as he may deem necessary and allow deviation from the statutory provisions for the forms of such policies.

The joint action authorized by this section may be taken in connection with a plan to offer such insurance to residents of other states in combination with insurance offered to residents of this State subject to approval by the commissioner.

A financial summary concerning any insurance written under the authority of this section shall be furnished annually to the commissioner in such form as he may prescribe. If the commissioner finds that any forms for such insurance are not in the public interest or that the premium rates charged are by reasonable assumptions excessive in relation to the benefits provided, he may disapprove such forms or premium rates after notice of at least 20 days and hearing.

Any person or company aggrieved by any order or decision of the commissioner under this section shall be entitled to a rehearing and appeal in accordance with section 113.

1963, c. 425.