

end of the first or any subsequent year of insurance, which readjustment may be made retroactive for such policy year only.

Act effective immediately.

Section 3. The provisions of this act shall become effective immediately upon final enactment.

APPROVED—The 25th day of May, A. D. 1951.

JOHN S. FINE

No. 96

AN ACT

To further amend subsection (a) of section 621.1 of the act, approved the seventeenth day of May, one thousand nine hundred twenty-one (Pamphlet Laws 682), entitled "An act relating to insurance; amending, revising, and consolidating the law providing for the incorporation of insurance companies, and the regulation, supervision, and protection of home and foreign insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and fire insurance rating bureaus, and the regulation and supervision of insurance carried by such companies, associations, and exchanges, including insurance carried by the State Workmen's Insurance Fund; providing penalties; and repealing existing laws," by further defining and regulating group accident and health insurance.

"The Insurance Company Law of 1921."

Subsection (a) of section 621.1, act of May 17, 1921, P. L. 682, as last amended by act of June 21, 1947, P. L. 855 and act of July 5, 1947, P. L. 1305, further amended.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Subsection (a) of section 621.1 of the act, approved the seventeenth day of May, one thousand nine hundred twenty-one (Pamphlet Laws 682), entitled "An act relating to insurance; amending, revising, and consolidating the law providing for the incorporation of insurance companies, and the regulation, supervision, and protection of home and foreign insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and fire insurance rating bureaus, and the regulation and supervision of insurance carried by such companies, associations, and exchanges, including insurance carried by the State Workmen's Insurance Fund; providing penalties; and repealing existing laws," as last amended by the act, approved the twenty-first day of June, one thousand nine hundred forty-seven (Pamphlet Laws 855), and by the act, approved the fifth day of July, one thousand nine hundred forty-seven (Pamphlet Laws 1305), is hereby further amended to read as follows:

Section 621.1. Group Accident and Health Insurance.—(a) Group Accident and Health Insurance is hereby declared to be that form of accident and health insurance covering not less than twenty-five employes or members, [and, in addition, may include the employes' or members' dependents,] written under a master policy issued to a summer camp, scout troop, college, school system, one or more schools or other institutions of learning, or to the head or heads or principal or principals

thereof, who, or which shall be deemed the policyholder, or to any governmental corporation, unit, agency or department thereof, or to any corporation, copartnership, individual employer, or to the trustees of a fund established by any corporation, copartnership, or individual employer, or to any association, or organization of employees of one employer, [its affiliates or subsidiaries, or to the members of] or to any labor union, bar association, medical, dental or other professional society, volunteer fire department, automobile club or association, or to any organization or association of Federal or State employes, or school teachers, or school employes or nurses, or to the trustees of a fund established by two or more employers in the same industry, or by one or more labor unions, or by one or more labor unions and one or more employers, where officers, members, employes, or classes or departments thereof, may be insured for their individual benefit [, or written under a master policy issued to the trustees of a fund, established by two or more employers in the same industry for the benefit of persons other than the employers, the premium for such policy to be paid by the trustees wholly from funds contributed by the employers of the insured persons]. *The policy may provide that the term "employer" shall include retired employes, and the individual proprietors or partners if an employer is an individual proprietor or a partnership. The policy may provide that the term "employees" shall include the employes of one or more subsidiary corporations, and the employes, 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. A policy issued to trustees may provide that the term "employees" shall include the trustees or their employes, or both if their duties are principally connected with such trusteeship. The policy may provide benefits for hospital, surgical or medical expense on account of families of the insured employes or members. The premiums for a policy issued to trustees of a fund established by two or more employers in the same industry, or by one or more labor unions, or by one or more labor unions and one or more employers, 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, except that all or part of the premium for benefits for hospital, surgical or medical expense for families of employes or members may be paid from funds contributed by the insured employes or members.*

APPROVED—The 25th day of May, A. D. 1951.

JOHN S. FINE