

SENATE No. 379

The Commonwealth of Massachusetts

SENATE, February 15, 1943.

The committee on Insurance, to whom was referred the petition (accompanied by bill, Senate, No. 159) of Charles V. Hogan that provision be made for the issuance of group life insurance for employees of the Commonwealth; and the report of the special commission (Commissioner of Insurance, Commissioner of Labor and Industries, State Treasurer and others) established (under Chapter 65 of the Resolves of 1941) to make an investigation and study relative to providing group insurance for public employees (House, No. 147), report the accompanying bill (Senate, No. 379).

For the committee,

ROBERT L. LEE.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Forty-Three.

AN ACT RELATIVE TO THE ISSUANCE OF GROUP LIFE AND GENERAL OR BLANKET ACCIDENT AND HEALTH INSURANCE POLICIES COVERING MEMBERS OF CERTAIN ASSOCIATIONS OF PUBLIC EMPLOYEES AND AUTHORIZING PAY-ROLL DEDUCTIONS ON ACCOUNT OF SUCH POLICIES AND CERTAIN OTHER CONTRACTS FOR SUCH EMPLOYEES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Clause (b) of section one hundred
2 and thirty-three of chapter one hundred and seventy-
3 five of the General Laws, as most recently amended
4 by section two of chapter three hundred and sixty-
5 two of the acts of nineteen hundred and thirty-eight,
6 is hereby further amended by striking out, in the
7 third and fourth lines, the words "or any association
8 of state, county or municipal employees", — so
9 as to read as follows: — or (b) the members of any
10 trade union or other association of wage workers
11 described in section twenty-nine, with or without
12 medical examination, written under a policy issued
13 to such union or association, the premium on which
14 is to be paid by the union or association or by the
15 union or association and the members thereof jointly,
16 and insuring all of the members thereof for amounts

17 of insurance based upon some plan which will pre-
18 clude individual selection, and for the benefit of
19 persons other than the union or association or any
20 officers thereof; provided, that when the premium
21 is to be paid by the union or association and its
22 members jointly and the benefits of the policy are
23 offered to all members, not less than seventy-five per
24 cent of such members may be so insured; and pro-
25 vided further that any member or members insured
26 under the policy may apply for amounts of insur-
27 ance in addition to those granted by said policy,
28 in which case any percentage of the members may
29 be insured for additional amounts if they pass satis-
30 factory medical examinations.

1 SECTION 2. Said section one hundred and thirty-
2 three, as so amended, is hereby further amended by
3 adding at the end the following: — ; or (d) the mem-
4 bers of any association of state, county or municipal
5 employees, who are regularly and permanently
6 employed by the commonwealth, a county or a
7 municipality and, if employed by the commonwealth
8 or the city of Boston, are paid by a common pay-
9 master and are eligible for membership in the retire-
10 ment association for the employees of the common-
11 wealth or of the city of Boston, or the members of
12 any association of municipal employees whose mem-
13 bers are regularly and permanently employed by
14 two or more municipalities within one county, with
15 or without medical examination, written under a
16 policy issued to the association, the premium on
17 which is to be paid by its members and insuring
18 not less than fifty members and seventy-five per
19 cent of all persons eligible for membership therein,

20 for amounts of insurance based upon such plan as will
21 preclude individual selection, and for the benefit
22 of persons other than the association or any officers
23 thereof; provided, that any member or members
24 insured under such policy may apply for amounts of
25 insurance additional to those granted by said policy,
26 in which case any percentage of the members may
27 be insured for additional amounts if they pass
28 satisfactory medical examinations; and provided,
29 further, that no person shall be eligible for coverage
30 under such a policy as a member of more than one
31 such association.

32 The term "common paymaster", as used in clause
33 (d) of this section, shall mean any officer or employee
34 of the commonwealth or the city of Boston or any
35 board, department, or commission thereof, whose
36 duties include the payment of salaries or wages to
37 employees of the commonwealth, said city or any
38 board, department or commission thereof.

1 SECTION 3. Said chapter one hundred and seventy-
2 five is hereby further amended by striking out
3 section one hundred and ten, as most recently
4 amended by chapter one hundred and eighteen of
5 the acts of nineteen hundred and forty-one, and
6 inserting in place thereof the following section:—
7 *Section 110.* Nothing in sections one hundred
8 and eight and one hundred and nine shall be con-
9 strued to apply to or affect or prohibit the issue
10 of any general or blanket policy of insurance to
11 (a) any employer, whether an individual, associa-
12 tion, copartnership, or corporation, or (b) any
13 municipal corporation or any department thereof
14 not referred to in (c) or (c) any police or fire depart-

15 ment, or (d) any college, school or other institution
16 of learning, or to the head or principal thereof, or
17 (e) any organization for health, recreational or
18 military instruction or treatment, or (f) any under-
19 writers' corps, salvage bureau or like organization,
20 under which the officers, members or employees, or
21 classes or departments thereof, or the students or
22 patients thereof, as the case may be, are insured
23 against loss or damage from disease or specified
24 bodily injuries resulting from accident or accidental
25 means or death caused by such injuries, contracted
26 or sustained while exposed to the hazards of the
27 occupation, the course of instruction or treatment,
28 or otherwise, for a premium intended to cover the
29 risks of all persons insured under such policy. A
30 policy on which the premiums are paid by the
31 employer and the employees jointly and the benefits
32 of which are offered to all eligible employees, and
33 insuring not less than seventy-five per cent of such
34 employees, or the members of an association of
35 such employees if the members so insured constitute
36 not less than seventy-five per cent of all eligible
37 employees, shall be deemed a general or blanket
38 policy within the meaning of this section.

39 Nothing in said sections one hundred and eight
40 and one hundred and nine shall be construed to
41 apply to or affect or prohibit the issue of any general
42 or blanket policy of insurance to any association
43 of state, county or municipal employees who are
44 regularly and permanently employed by the com-
45 monwealth, a county or a municipality and, if
46 employed by the commonwealth or the city of
47 Boston are paid by a common paymaster, as defined
48 in section one hundred and thirty-three, and are

49 eligible for membership in the retirement associa-
50 tion for the employees of the commonwealth or
51 of the city of Boston, or to an association of municipi-
52 pal employees whose members are regularly and
53 permanently employed by two or more municipalities
54 within one county, insuring the members of the
55 association against loss or damage from disease or
56 specified bodily injuries resulting from accident or
57 accidental means or death caused by such injuries,
58 contracted or sustained while exposed to the hazards
59 of their occupation or otherwise, for a premium
60 intended to cover the risks of all the persons insured
61 under such policy. No person shall be eligible
62 for coverage under such a policy as a member of
63 more than one such association. A policy on which
64 the premium is paid by the members of the associa-
65 tion and the benefits of which are offered to all
66 its members, and insuring not less than fifty members
67 and seventy-five per cent of all persons eligible for
68 membership in the association shall be deemed
69 to be a general or blanket policy within the mean-
70 ing of this section.

71 The provisions of section one hundred and thirty-
72 eight A shall apply to deductions on pay-roll sched-
73 ules from the salary of any state, county or municipi-
74 pal employee for the payment of premiums on a
75 general or blanket policy issued to such an associa-
76 tion of state, county or municipal employees.

77 Any blanket or general policy issued under this
78 section to an employer or to an association of state,
79 county or municipal employees may also insure
80 the dependents of employees or members insured
81 thereunder, in respect to medical, surgical and
82 hospital expenses.

1 SECTION 4. Said chapter one hundred and seventy-
2 five is hereby further amended by inserting after
3 section one hundred and thirty-eight, as appearing
4 in the Tercentenary Edition, the following section: —
5 *Section 138A.* Deductions on pay-roll schedules
6 may be made from the salary of any state, county
7 or municipal employee of any amount which such
8 employee may specify in writing to any state, county
9 or municipal officer, or the head of the state, county,
10 or municipal department, board or commission,
11 by whom or which he is employed, for the payment
12 of premiums on a group life policy issued under
13 section one hundred and thirty-three to an associa-
14 tion of state, county or municipal employees and
15 insuring such employee as a member thereof. Any
16 such authorization may be withdrawn by the em-
17 ployee by giving at least sixty days' notice in writing
18 of such withdrawal to the state, county or municipal
19 officer, or the head of the state, county or municipal
20 department, board or commission, by whom or which
21 he is then employed and by filing a copy thereof
22 with the treasurer of the association.

23 The state treasurer, the common paymaster, as
24 defined in said section one hundred and thirty-three,
25 or the treasurer of the county or municipality by
26 which such employee is employed, shall deduct
27 from the salary of such employee such amount of
28 insurance premiums as may be certified to him on
29 the pay-roll, and transmit the sum so deducted to
30 to the treasurer of said association for transmittal
31 to the company, including in such term a savings
32 and insurance bank, which issued the policy; pro-
33 vided, that the state treasurer, the state comptroller
34 or the county or municipal treasurer, as the case

35 may be, is satisfied by such evidence as he may require
36 that the treasurer of such association has given to
37 said association a bond, in a form approved by the
38 commissioner, for the faithful performance of his
39 duties, in a sum and with such surety or sureties as
40 are satisfactory to the state treasurer or comptroller
41 or county or municipal treasurer.

1 SECTION 5. Chapter one hundred and seventy-
2 six A of the General Laws, inserted by chapter
3 four hundred and nine of the acts of nineteen hun-
4 dred and thirty-six, is hereby amended by inserting
5 after section eleven the following section: —

6 *Section 12.* The pertinent provisions of section
7 one hundred and thirty-eight A of chapter one
8 hundred and seventy-five shall apply to deductions
9 on pay-roll schedules from the salary of any state,
10 county or municipal employee for the payment of
11 the amount payable by such an employee under a
12 contract issued to him as a subscriber by a non-
13 profit hospital service corporation described in this
14 chapter.

1 SECTION 6. Chapter one hundred and seventy-
2 six B of the General Laws, inserted by chapter three
3 hundred and six of the acts of nineteen hundred and
4 forty-one, is hereby amended by inserting after
5 section sixteen the following section: —

6 *Section 16A.* The pertinent provisions of section
7 one hundred and thirty-eight A of chapter one
8 hundred and seventy-five shall apply to deductions
9 on payroll schedules from the salary of any state,
10 county or municipal employee for the payment of
11 the amount payable by such an employee under a

12 subscription certificate issued to him as a subscriber
13 by a medical service corporation.

1 SECTION 7. Chapter one hundred and seventy-
2 six C of the General Laws, inserted by chapter three
3 hundred and thirty-four of the acts of nineteen
4 hundred and forty-one, is hereby amended by insert-
5 ing after section sixteen the following section:—

6 *Section 16A.* The pertinent provisions of section
7 one hundred and thirty-eight A of chapter one hun-
8 dred and seventy-five shall apply to deductions on
9 payroll schedules from the salary of any state, county
10 or municipal employee for the payment of the amount
11 payable by such an employee under a contract
12 issued to him as a subscribing member by a medical
13 service corporation.

