



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
First Regular Session

House: COM DPA/SE 10-0-0-0

HB 2007: group excess liability insurance
Sponsor: Representative Livingston, LD 28
House Engrossed

Overview

Provides requirements for an insurer to issue a group excess liability insurance policy (Policy).

History

Liability insurance is insurance against legal liability for the death, injury or disability of any human being, or for damage to property, and provision of medical, hospital, surgical or disability benefits to injured persons and funeral and death benefits to dependents, beneficiaries or personal representatives of persons killed, irrespective of legal liability of the insured, when issued as an incidental coverage with or supplemental to liability insurance ([A.R.S. § 20-252](#)).

Provisions

Group Excess Liability Insurance (Sec. 1)

1. Permits an authorized or an unauthorized insurer to offer group excess liability insurance which provides excess coverage after the certificate holder's primary liability insurance limits have been exhausted.
2. Stipulates that an authorized insurer who issues a Policy must file the group policy and the certificate of insurance forms with the Department of Insurance and Financial Institutions.
3. Exempts an authorized insurer who issues a Policy from statutory requirements relating to rate filings.
4. Specifies the terms of the certificate of insurance must be consistent with the terms of the Policy in accordance with which the certificate of insurance is issued.
5. Authorizes an insurer to issue or deliver a Policy and certificate of insurance.
6. Adds that a Policy may provide excess uninsured or underinsured motorist and excess uninsured or underinsured liability coverage to certificate holders provided the terms and conditions for the coverage comply with statutory requirements.
7. Allows a Policy to provide coverage for excess uninsured or underinsured motorist coverage in amounts that exceed the statutory limits relating to a motor vehicle liability policy.
8. Permits an insurer to issue a Policy to an employer that insures one or more *employees* of the *employer*.
9. Specifies an insurer may establish underwriting criteria for the group policyholder or certificate holders.

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
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10. Specifies the provisions governing a Policy do not apply to or prohibit the issuance of commercial excess liability insurance policies that provide coverage to one or more named insureds and specified persons under a single limit of insurance.
11. Asserts insurers must treat all eligible groups of the same class in a like manner.
12. Specifies the Policy premiums may be wholly paid by the group policyholder, the certificate holders or both.
13. Requires the Policy to provide separate limits of coverage for each certificate holder.
14. Requires a copy of the group policy and any endorsement or amendment be delivered to the group policyholder.
15. Permits the group policyholder, with certain approval, to send the certificate of insurance and any endorsement to the certificate holders on behalf of the insurer.
16. Outlines the contents of the certificate of insurance.
17. Requires a copy of the group policy be delivered to the certificate holder after the certificate of insurance is delivered.
18. Prevents the disclosure of claims-related information about a certificate holder to the group policyholder other than the existence of a claim.
19. Prescribes the requirements for canceling, nonrenewing or conditional renewing of a coverage under a Policy.
20. Allows the group policyholder, with a 30-day written notice, to cancel or not renew the group policy for any reason.
21. Requires a covered loss that occurs before the effective date of the cancellation, nonrenewal or conditional renewal of the group policy or certificate of insurance to be covered as provided under the group policy.
22. Defines pertinent terms.