

ASSEMBLY BILL

No. 487

Introduced by Committee on Insurance

February 10, 2025

An act to amend Section 10270.2 of the Insurance Code, relating to insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 487, as introduced, Committee on Insurance. Blanket insurance.

Existing law permits blanket insurance to be issued to a college, school, or other institution of learning, or a sports team, camp, sponsor, or proprietor of a sports team, providing benefits to students, teachers, or employees, or sports team participants, campers, employees, officials, supervisors, or persons responsible for their support, for death or dismemberment resulting from accident, or for hospital, medical, surgical, or nursing expenses resulting from accident or sickness, as specified. Existing law defines “blanket insurance” for purposes of these provisions.

This bill would expand the groups for which blanket insurance may be issued to include coverage of volunteers for the entities described above.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 10270.2 of the Insurance Code is
2 amended to read:

10270.2. (a) Blanket insurance is that form of insurance providing coverage for specified circumstances and insuring by description all or nearly all persons within a class of persons defined in a policy issued to a master policyholder, and not by specifically naming the persons covered, by certificate or otherwise, although a statement of the coverage provided may be given, or required by the policy to be given, to eligible persons. The permitted types of blanket insurance are those where the blanket policy is issued to any of the following:

(1) A volunteer or governmental fire department, emergency medical services company, or similar volunteer or governmental organization providing benefits to members or participants only in the event of accident incurred while performing actions incident to an activity or operation sponsored or supervised by the department, company, or organization.

(2) A college, school, or other institution of learning, a school district or districts or school jurisdictional unit, or to the head, principal, or governing board of an educational unit who or which shall be deemed the policyholder; providing benefits to students without necessarily any restriction as to activity, time, or place, or to ~~teachers or employees~~ *teachers, employees, or volunteers*, while performing actions incident to special duties, such as at camps, at summer playgrounds, or during tours or excursions; and providing benefits to students, teachers, ~~or employees,~~ *or volunteers*, and spouses and dependents of students, teachers, and employees, for death or dismemberment resulting from accident, or for hospital, medical, surgical, drug, or nursing expenses resulting from accident or sickness.

(3) A sports team, camp, ~~or~~ sponsor, or proprietor thereof, who shall be deemed the policyholder, providing benefits to sports team participants, campers, employees, officials, supervisors, *volunteers*, or persons responsible for their support, for death or dismemberment resulting from ~~accident~~ *accident*, or for hospital, medical, surgical, or nursing expenses resulting from accident, to those participants, campers, employees, officials, supervisors, *volunteers*, or persons responsible for their support, or arising out of sickness of those participants, campers, employees, officials, supervisors, *volunteers*, or persons responsible for their support, provided the accident or the first manifestation of sickness occurs while those participants, campers, employees, officials, supervisors,

1 *volunteers*, or persons responsible for their support are in or on
2 the buildings or premises of the sports team or camp, ~~or~~ being
3 transported between their homes and the sports team or camp, or
4 while at any other place as an incident to sports team- or
5 camp-sponsored activities or while being transported to, from, or
6 between those places.

7 (4) (A) A newspaper, farm paper, magazine, or other periodical
8 publication, which shall be deemed the policyholder, providing
9 benefits for independent contractors, such as carriers, newsboys,
10 dealers, distributors, wholesalers, or others engaged in the sale,
11 distribution, collecting for, or other activities pertaining to the
12 marketing and delivery of the publication, including attendance at
13 a coaching school or participation as a member of a trip organized,
14 supervised, and sponsored as a reward for meritorious service, on
15 account of loss resulting from accident or sickness, the benefit to
16 be payable to the independent contractors or to their parents,
17 guardians, or other persons responsible for their support.

18 (B) When the premium for the insurance is paid by the person
19 insured, ~~he or she~~ *the person* may, upon request, obtain from the
20 insurer in certificate form a copy of the policy.

21 (5) Any religious, charitable, recreational, educational, athletic,
22 ~~or~~ civic organization, or branch thereof, which shall be deemed
23 the policyholder, providing benefits to any group of members,
24 employees, or participants for death or dismemberment or for
25 hospital, medical, surgical, or nursing expenses resulting from
26 accident incurred incident to specific hazards pertaining to any
27 activity or activities or operations sponsored or supervised by, or
28 on the premises of, the policyholder.

29 (6) An employer, a majority of the employees in this state of
30 an employer, or both, upon application, to pay the benefits afforded
31 by a voluntary plan of unemployment compensation disability
32 insurance. Notwithstanding the provisions of Section 10113, the
33 policy may incorporate by reference any of the appropriate
34 provisions of Part 2 (commencing with Section 2601) of Division
35 1 of the Unemployment Insurance Code and the authorized
36 regulations of the Director of Employment Development.

37 (7) An employer, who shall be deemed the policyholder,
38 providing benefits to any group of workers, dependents, or guests,
39 limited by reference to specified hazards incident to activities or
40 operations of the policyholder, for death or dismemberment, or

1 for hospital, medical, surgical, or nursing expenses, resulting from
2 accident. When the premium for the insurance is paid by the person
3 insured, ~~he or she~~ *the person* may, upon request, obtain from the
4 insurer in certificate form a copy of the policy.

5 (8) Any common carrier or any operator, owner, or lessor of a
6 means of transportation, who shall be deemed the policyholder,
7 providing benefits to any group of persons who may become
8 lessees or passengers, limited by reference to their travel status on
9 that common carrier or that means of transportation, for death or
10 dismemberment, or for hospital, medical, surgical, or nursing
11 expenses, resulting from accident. When the premium for the
12 insurance is paid by the person insured, ~~he or she~~ *the person* may,
13 upon request, obtain from the insurer in certificate form a copy of
14 the policy.

15 (9) An entertainment production company, who shall be deemed
16 the policyholder, providing benefits to any group of participants,
17 volunteers, audience members, contestants, or workers for death
18 or dismemberment, or for hospital, medical, surgical, or nursing
19 expenses, resulting from accident while engaged in any activity
20 or operation of the policyholder. When the premium for the
21 insurance is paid by the person insured, ~~he or she~~ *the person* may,
22 upon request, obtain from the insurer in certificate form a copy of
23 the policy.

24 (b) A “blanket policy” is any disability policy of the nature
25 herein described sold to any of the entities described in paragraphs
26 (1) to (9), inclusive, of subdivision (a) that provides coverage for
27 any group of persons within permitted categories defined in the
28 policy. Policies referred to in paragraph (6) of subdivision (a) shall
29 comply with the provisions of this section specifically referring
30 thereto. Policies referred to in paragraphs (1) to (5), inclusive, or
31 (7) to (9), inclusive, of subdivision (a) may provide that the cost
32 of the insurance coverage shall be borne by either the policyholder,
33 or the individuals insured or their parents or guardians, payable
34 through the policyholder. In the absence of a policy provision
35 excluding coverage for otherwise covered individuals who have
36 not individually enrolled with the policyholder and undertaken to
37 pay all or a specified portion of the premium allocable to the
38 individual, the policy shall provide the described insurance for all
39 who fall within the categories of covered individuals defined in
40 the policy. The policy may, but is not required to, contain

provisions requiring a minimum number of participating persons or a minimum percentage of participation before the policy is effective. In the absence of such a provision, coverage shall not be denied any individual otherwise eligible on those grounds.

(c) A policy described in paragraphs (1) to (5), inclusive, or (7) to (9), inclusive, of subdivision (a) shall not be issued until approved as to substance and form by the commissioner. The commissioner may, after notice and hearing, promulgate reasonable rules and regulations relating to the substance, form, and issuance of the policies that are necessary or desirable to preserve, insofar as applicable, standards of substance, form, and issuance comparable to the standards prescribed by this chapter that are applicable to other types of disability policies, and to further the purposes for which the policies are issued.

(d) A policy described in paragraph (6) of subdivision (a) shall not be issued until approved as to form by the commissioner. The commissioner may, after notice and hearing, promulgate reasonable rules and regulations relating to the form and issuance of the policies that do not affect the substance of the coverage, and that are necessary or desirable to preserve, insofar as applicable, standards of form and issuance comparable to the standards prescribed by this chapter that are applicable to other types of disability policies, and to further the purposes for which the policies are issued. Notwithstanding the provisions of Section 10113, the policy may incorporate by reference any of the appropriate provisions of Part 2 (commencing with Section 2601) of Division 1 of the Unemployment Insurance Code and the authorized regulations of the Director of Employment Development.

(e) A policy described in this section shall not constitute workers' compensation insurance, as defined in Section 109. A policy described in paragraphs (3),(5), (7), (8), or (9) of subdivision (a) shall not be marketed or sold as a substitute for health insurance coverage compliant with the requirements of the federal Patient Protection and Affordable Care Act (Public Law 111-148), as amended by the Health Care and Education Reconciliation Act of 2010 (Public Law 111-152).

(f) (1) An insurer that intends to issue a policy of blanket insurance authorized by the amendments to this section pursuant to the act adding this subdivision, or authorized pursuant to ~~section~~ *Section 10270.2.5*, using a policy form previously approved by

1 the commissioner, where the only new language in the policy is
2 the specification of the policyholder, covered persons, or the
3 hazards or activities insured, shall file that new language with the
4 commissioner prior to issuance of the policy. Submissions of
5 documents containing variable text or blanks shall include complete
6 lists of the variable wording or accurate descriptions of the material
7 to be inserted in lieu of the variable wording or in the blanks of
8 these documents.

9 (2) A policy using the new language shall not be issued until
10 either 30 days expires without notice from the commissioner after
11 the new language is filed, or the commissioner gives ~~his or her~~
12 *their* written approval prior to that time. If the commissioner at
13 any time notifies the insurer, in writing and specifying the reasons
14 for ~~his or her~~ *their* opinion, that the filed new language does not
15 comply with the requirements of law, the insurer shall not issue
16 any policy containing that language.

17 (3) ~~Nothing in this~~ *This* subdivision shall *not* be construed to
18 provide separate authority for the commissioner to reopen review
19 of previously approved policy forms.