

**THE INSURANCE CODE OF 1956 (EXCERPT)**  
**Act 218 of 1956**

**500.3402a Group disability insurance policy; provisions required.**

Sec. 3402a.

An insurer shall include all of the following provisions in a group disability insurance policy:

(a) That the policy, application of the employer or of an executive officer or trustee of an association, and the individual applications, if any, of the employees or members insured, constitute the entire contract between the parties. The insurer's identification of what constitutes the entire contract creates a rebuttable presumption that the identified items are the entire contract.

(b) That a statement made by the employer, the executive officer or trustee of an association, or an individual employee or member, in the absence of fraud, is a representation and not a warranty. An insurer shall not use a statement made by the employer, the executive officer or trustee of an association, or an individual employee or member as a defense to a claim under the policy, unless the statement is contained in a written application.

(c) That the insurer will issue to the employer or the executive officer or trustee of an association, for delivery to an employee or member who is insured under the policy, an individual certificate that states the insurance protection to which the employee or member is entitled and to whom benefits are payable.

(d) That new employees or members, as applicable, who are eligible and who apply will be added to the group or class originally insured.

**History:** Add. 2016, Act 276, Imd. Eff. July 1, 2016

**Popular Name:** Act 218