

40-231. Dealing in goods, wares and merchandise prohibited; exceptions. (a) Except as otherwise provided in subsection (b), no insurance company shall directly or indirectly deal or trade in goods, wares, merchandise or other commodities.

(b) This section shall not prohibit an insurance company: (1) From entering into an agreement to provide administrative services to a person, firm or corporation with respect to legally constituted plans of insurance or indemnity; (2) from directly or indirectly dealing or trading in goods, wares, merchandise or other commodities which are insured by the insurance company or which may be sold under judicial process or otherwise; or (3) from negotiating and entering into contracts for alternative rates of payment with health care providers or other parties who have arranged for alternative rates of payment with health care providers, and offering the benefit of such alternative rates to insureds who select such providers.

History: L. 1927, ch. 231, 40-231; L. 1978, ch. 168, § 1; L. 1985, ch. 158, § 1; May 2.