

CHAPTER 26.1-43 LEGAL EXPENSE INSURANCE

26.1-43-01. Legal expense insurance defined.

"Legal expense insurance", as authorized in this title, means insurance which involves the assumption of a contractual obligation to reimburse the beneficiary against or on behalf of the beneficiary, all or a portion of the beneficiary's fees, costs, or expenses related to or arising out of services by or under the supervision of an attorney licensed to practice law in this state, regardless of whether the payment is made by the beneficiaries individually or by a third party for them.

26.1-43-02. What legal expense insurance does not include.

Legal expense insurance does not include the provision of or reimbursement for legal services incidental to other insurance coverages.

26.1-43-03. Legal plans and contracts excepted from insurance code.

Unless otherwise provided, this title does not apply to:

1. Plans licensed under chapter 26.1-19.
2. Retainer contracts made by attorneys with individual clients with fees based upon an estimate of the nature and amount of services to be provided to a specific client and similar contracts made with a group of clients involved in the same or closely related legal matters.
3. Employee welfare benefit plans as defined by the Employee Retirement Income Security Act of 1974 [Pub. L. 93-406; 88 Stat. 829].
4. Plans that do not include the assumption of risk or obligation to pay or reimburse for specified legal services or specified legal expenses. Under this subsection, the payment of only an administrative fee to an attorney is not considered reimbursement of the beneficiary or on behalf of the beneficiary for all or a portion of the beneficiary's fees, costs, or expenses related to or arising out of services by or under the supervision of an attorney licensed to practice law in this state.