

# Multimodal Discourse Analysis, audiovisual translation, *The Broke Sisters*.

Jia Luo

Anhui University of Finance and Economics Law School, Bengbu, China

## Abstract

China's Insurance Law defines "workers who have a labor relationship with the insured" for pure economic interests. According to the current law, when an employer purchases insurance for its employees, the transfer of the insurance claim right can be effective. In this case, should the share of the income of the employer, as a non-natural person, when receiving the employee's death insurance be restricted? This issue is not explicitly stipulated in the law and needs to be discussed. In light of social reality, this article believes that the employer's share of benefits in group accident insurance should be restricted by amending the Insurance Law or supplementing judicial interpretations. If necessary, content that favors the insured and their families can be added. This will save losses and prevent the employer from using the employment relationship to infringe on the legitimate interests of employees.

## Keywords

Life insurance; Group accident insurance; Beneficiary system.

## 1. Introduction

### 1.1. Background and significance of the topic

Life insurance is an important part of the modern insurance industry, and its history can be traced back to ancient times. In ancient times when productivity was relatively backward, uncontrollable factors such as natural disasters and diseases threatened human survival, and human health and life faced unpredictable risks. Life insurance sprouted under such circumstances, and ancient professional mutual aid organizations and maritime loans came into being. In ancient times, mutual aid organizations could help people share risks and reduce average losses, which was the earliest form of life insurance; in the Middle Ages, a loan method related to commercial adventures appeared in Italy. The concept of interest generated by this loan was almost the same as the concept of social insurance costs today, and it can also be regarded as a form of life insurance. Group insurance has developed slowly on this basis. What really transformed group insurance from theory to practice was the first group life insurance policy that appeared in the United States. After the reform and opening up, China's insurance industry has shown an ideal development situation, with strong vitality and momentum, and is called a "sunrise industry"; in recent years, with economic globalization, my country's insurance industry has also changed and innovated in terms of talents and systems. The development of life insurance industry in my country can be divided into three stages in history: the first stage started slowly, and then exploded after its rise. In order to seize the opportunity of this emerging industry, many life insurance companies once pursued market share, and group insurance occupied more than 80% of life insurance; the second stage was steadily improved, but group insurance suffered a blow. In the 1990s, foreign insurance companies entered the Chinese market and advocated the "individual insurance agent" marketing system. At the same time, leading insurance companies started to reform the shareholding system; the third stage was reborn. With the integration of the world economy, as China joined the World

Trade Organization in 2002, the insurance industry also regained vitality and showed a new momentum of keeping pace with the times.

Article 18 of the Insurance Law of the People's Republic of China (hereinafter referred to as the "Insurance Law") stipulates that "beneficiary" is a unique concept in personal insurance. The subject of personal insurance is the physical health and life safety of the insured, and the purpose is to compensate and relieve personal interests centered on the life of the insured. Because the beneficiary and the insured are generally in contact, this system reflects the people-oriented nature of the law and maintains social harmony and stability. There are no detailed provisions on group insurance in the Insurance Law, and disputes over group accident insurance have occurred repeatedly in practice. How to judge the situation where the unit is the beneficiary is a question to be discussed. In the employment relationship, employees are inevitably in a disadvantaged position due to information differences. The determination of the beneficiary in the employee's life insurance is even more worthy of attention. However, the discussion on the beneficiary as a non-natural person such as the unit is a relatively rare field. Therefore, this article takes the unit as the beneficiary in the life contract as the theme to study related issues and explore the provisions of the legal provisions on the beneficiary system.

In the real society, my country's legislation and judicial interpretation of insurance focus more on the provisions of personal insurance, and there are fewer provisions for group insurance. Research on the group insurance beneficiary system can clarify the reasonable judgment path for group insurance cases of companies, enterprises, and units in practice, which is conducive to the development of group insurance in my country.

## 1.2. Research Review

Life insurance is a commercial insurance behavior closely related to personal safety and health, and the beneficiary system has attracted the attention of many scholars at home and abroad.

Gu Xiwei and Chen Xiefeng believe that when an employer compensates a worker, including insurance money, it should be deemed valid. However, when a worker is coerced or defrauded, there will be a situation where the intention is not true or free. In this case, the transfer of the insurance claim should be revocable.

Scholar Pan Hongyan believes that the insurance claim is exclusive to the insured. In judicial practice, the agreement concluded for the transfer of the claim is an invalid agreement because it violates the mandatory legal provisions. Therefore, the transfer of such insurance claim, that is, the unit obtains insurance money, is an invalid act.

Scholar Bai Han believes that group accident insurance cannot compensate the employer's liability. The insured or his close relatives can obtain compensation for work-related injury insurance and commercial insurance at the same time, without being restricted by the principle of damage compensation.

Scholar Pan Hong believes that the purpose of the beneficiary system is to provide living security for the insured's survivors, that is, the beneficiaries, after the death of the insured. In order to achieve this goal, she advocated that the legal beneficiaries should be determined through clear legislation, and the scope of beneficiaries should be directly and compulsorily divided, so as to solve the confusion and inconsistency in the processing of insurance business.

Scholar Chen Junfu believes that the beneficiary system seems simple, and the provisions on beneficiaries in my country's Insurance Law are not exhaustive, but in practical work, the beneficiary system involves many complex legal issues.

From the legislative system of other countries, there are a few provisions for non-natural persons as insurance beneficiaries. According to Muriel L. Crawford's work, the Texas Insurance Law of the United States stipulates that when a legal person insures a group insurance, it can only designate itself as the insurance beneficiary if it promises to use the

insurance money for employee welfare plans; the Japanese Insurance Law stipulates that when a group insures its members as the insured and pays the insurance premium, it can designate itself as the beneficiary.

### **1.3. Research Methods**

This paper uses the following research methods to explore issues related to beneficiaries. The paper adopts the literature analysis method to analyze the journals and papers on the beneficiary system in life insurance and group accident insurance, and summarizes the differences and similarities of the views; the paper adopts the case analysis method to discuss the legal issues contained in the case in combination with specific cases, and compares the results of judicial judgments. It is concluded that the main disputes in the case are whether the unit can insure employees as a beneficiary, whether the insured has the right to claim insurance money, and whether the benefit share of the insurance when the unit is a beneficiary should be subject to certain restrictions. The text analysis method is used to analyze the legal application of the beneficiary system of group accident insurance in the current insurance law and judicial interpretation; finally, the empirical analysis method is used to point out the main problems existing in judicial practice according to the actual situation, and analyzes the nature of life insurance, the purpose of the establishment of group accident insurance, the attributes of workers obtaining compensation, and the legal significance of insurance to employers, insured persons and their families. Starting from judicial practice, it summarizes the specific cases of group accident insurance, which reflect that when the employer is a beneficiary, the benefit share of death insurance should be restricted by legislation, and puts forward opinions on the rules for employers as beneficiaries to obtain life insurance money.

## **2. Analysis of group accident insurance cases**

### **2.1. Case of insurance benefits collection by university teachers and part-time engineers**

#### **2.1.1. Brief introduction of the case**

A young teacher named Yuan worked as a part-time engineer in a high-tech company affiliated to the university. The company purchased life insurance for its employees from a branch of a Chinese insurance company in May 1996 and May 1997. In October 1998, the company undertook a technical experiment for a cement project. Since the technicians participating in the experiment had a high probability of contact with cement machinery, the personal risk caused by this increased accordingly. The company also paid for personal accident insurance for all participants. On March 30, 1999, Yuan died accidentally when he went to the cement plant with the experimental personnel to check the operation of the rotary furnace. Due to the lack of insurance awareness, Yuan's unit only obtained the consent of the insured when purchasing insurance, and did not specify the beneficiary.

#### **2.1.2. Case analysis**

According to Article 42 of my country's Insurance Law, Yuan's legal heirs should receive his insurance benefits. But if the unit designates itself as the beneficiary, what will be the rationality and legal effect of this practice? According to the current Insurance Law, such a designation is indeed legally effective, but it should also be subject to certain legal constraints. In this case, the insurance company stated: Based on the "loss compensation principle" in the Insurance Law, the main purpose of purchasing insurance is to obtain economic compensation and risk protection, rather than to pursue additional profits. The company cannot obtain economic benefits by relying on the accidental death of employees on the job, and it is also not entitled to receive insurance money as a beneficiary. Although the facts are reasonable, in fact, there are misunderstandings in the operation of insurance companies. The "loss compensation principle"

can be applied to property insurance, but this principle is limited to property insurance and cannot be extended to the field of personal insurance. Human life and health are priceless. The core of personal insurance is to protect the safety of life and body, and implement a fixed compensation system. Once the situation stipulated in the insurance contract occurs, the insurance company shall directly pay the insurance money in accordance with the contract agreement, and the act of giving insurance money cannot be attributed to compensating the actual economic losses of the insured or beneficiary. In short, the provisions on beneficiaries in personal insurance are not for compensating losses or transferring risks. Even if the beneficiary is not clearly designated, the employer has no right to receive insurance money as a beneficiary.

## **2.2. A case in which a company purchased group accident insurance but did not purchase work-related injury insurance**

### **2.2.1. Brief introduction to the case**

Wu's husband Luo was an employee of a company before his death, and the company did not purchase work-related injury insurance for Luo. In November 2019, Luo died accidentally while working on a construction site. After the accident, the company agreed to pay Wu 790,000 yuan in compensation, and paid 490,000 yuan on the spot, and the remaining 300,000 yuan had not been paid. Wu failed to recover the money many times, so he sued the company to pay the remaining compensation. The company claimed that it had insured Luo for a construction group accident insurance with a coverage of 300,000 yuan. The insurance company had paid 300,000 yuan in insurance after Luo's death, and the insurance money should offset the company's work-related injury compensation liability.

### **2.2.2. Case analysis**

In the process of purchasing the construction group accident insurance, the enterprise as the insured was not designated as the beneficiary, mainly because the right to claim for work-related injury compensation and the right to claim for personal insurance compensation are different in legal basis. Relevant regulations allow victims to receive personal insurance compensation while receiving work-related injury compensation, and the company still needs to pay work-related injury compensation. The protection of construction group accident insurance cannot exempt the company from its legal liability in this regard. The law stipulates that the main beneficiaries of construction group accident insurance are the insured and his or her direct blood relatives, not the employer or the company. The insurance rules clearly prohibit companies from designating themselves as beneficiaries, and the direct blood relatives or other legal heirs of the insured are the statutory beneficiaries of the construction group accident insurance contract. In this case, it is legal and reasonable for Wu, as Luo's direct blood relative, to become the beneficiary of the construction group accident insurance. The company is not the beneficiary of the insurance. Therefore, although it has paid for the insurance, it does not have the right to claim the insurance money. At the same time, it means that the insurance money obtained by Wu will not reduce the company's legal obligations in terms of work-related injury insurance compensation. The construction group accident insurance cannot play the role of transferring the enterprise's liability for work-related injury compensation, not only because work-related injury insurance is a compulsory social insurance, but also because the "Work-related Injury Insurance Regulations" stipulate that employers have the responsibility to insure their employees. In the event of a work-related accident, if the employer fails to participate in the work-related injury insurance in accordance with the law, the employer must bear the corresponding work-related injury compensation liability in accordance with the law. Also, because the construction group accident insurance belongs to the category of commercial insurance and is not compulsory, it cannot transfer the enterprise's liability for work-related injury compensation. In this case, the enterprise's purchase of construction group accident insurance and payment of premiums can be regarded as an additional benefit given to

employees, but it does not mean that the insurance can transfer the enterprise's liability for work-related injury compensation. This point needs to be clearly distinguished.

### **3. The employer's right to benefit in group insurance should be limited**

The contract for group accident insurance is signed by the employer and the insurance company. The employer is the policyholder, the employee is the insured or beneficiary, and their immediate family members may also become beneficiaries. Under such a contractual structure, the policyholder and the beneficiary are not the same entity, which constitutes a contract established for the benefit of a third party. When an employer insures a worker's life insurance, it may use its superior position over the employee to force the employee to express his or her consent to designate the employer as the beneficiary, and accordingly set the employer as the beneficiary. This situation does exist in insurance practice. However, some employers will directly deduct the amount of insurance money from their compensation liability after paying the accident insurance premium for their employees. This practice actually makes the unit an indirect beneficiary, and the employer obtains insurance money, which is contrary to the original intention of the Insurance Law. In order to maintain the fairness of the law and the rights and interests of employees, it should be clearly prohibited for employers to use their position to carry out such operations to ensure that the real beneficiaries of the insurance money are the insured or their immediate family members.

#### **3.1. Granting employers the right to benefit is contrary to the principle of work-related injury insurance**

The law encourages construction companies to purchase accidental injury insurance for employees engaged in high-risk occupations, aiming to provide additional financial support for employees and their families who are in trouble. In my country's legal system, there is no provision that enterprises can be exempted from the work-related injury insurance premiums they should pay by purchasing accidental injury insurance for their employees. Specifically, if construction companies are allowed to offset their compensation to employees through the payment of accidental injury insurance, it means that construction companies can circumvent their statutory obligation to pay work-related injury insurance premiums, which is contrary to the principle that work-related injury insurance is a compulsory insurance.

#### **3.2. Granting employers the right to benefit is contrary to the purpose of establishing group accident insurance**

If the goals protected by group accident insurance cannot be achieved, then the significance of this setting will be greatly reduced. The original intention of promoting group accident insurance in my country is to provide necessary financial support to workers who unfortunately encounter accidents during work and to build a more comprehensive protection system. This concept can not only reduce the worries of workers at work, but also allow people engaged in high-risk jobs to work with peace of mind. However, if the insured is allowed to become the beneficiary of the insurance, it will deviate from the purpose of the establishment of group accident insurance and fail to protect the rights and interests of the insured. Because when the insured suffers from illness, disability or even death due to work, if the worker or his close relatives do not receive the insurance money they deserve as protection, the family life of the worker is likely to fall into trouble due to the loss of the main labor force. This situation is obviously contrary to the purpose of group accident injury insurance.

### **3.3. Granting the employer the right to benefit will violate the true intention of the insured**

My country adopts the "consent principle" for the designation of beneficiaries. Only with the explicit consent of the insured can the insured effectively designate the beneficiary. This provision ensures that the rights and interests of the insured are not violated to a large extent. However, the particularity of group accident injury insurance increases the complexity of the actual situation. As the insured, the employer usually has an advantage in daily status and legal knowledge. Therefore, it may take advantage of this advantage, or take advantage of the insured's lack of legal knowledge when signing the insurance contract, to force the insured to agree to set the employer as the beneficiary. In actual practice, some companies purchase group life insurance for their employees and agree with employees through formatted clauses to set the designated beneficiary of the group life insurance as the insured. This will put the workers in a dilemma. They are not willing but have to accept such an arrangement. Granting the beneficiary rights to the employer not only damages the legitimate rights and interests of the workers, but also hits the vulnerable position of the workers. At the same time, it is contrary to the original intention of the insurance law. It may also cause the insured to be unable to obtain the insurance money they deserve when they suffer injuries, thereby damaging their legitimate rights and interests.

### **3.4. Granting the employer the right to benefit will allow it to evade its responsibilities in disguise**

If the employer is allowed to be designated as the beneficiary in group insurance, then when an insurance accident occurs, the employer may use the insurance money obtained to replace the compensation liability to employees, so as to indirectly evade the statutory obligations. This behavior not only infringes on the legal rights and interests of workers, but also damages the fairness of insurance law. In particular, in insurance for employees, once an insurance accident occurs, the insured person will not only suffer physical damage, but also may not be able to obtain the resulting compensation, and the insurance money will eventually be obtained by the employer. In judicial practice, there are also cases where the employer designates itself as the beneficiary in a personal insurance contract. If the employer is granted the right to benefit, it may encourage the unhealthy atmosphere of the employer using the life and health of workers as a price to obtain insurance money, resulting in the situation of exploiting and ignoring the physical health of employees, which may quietly occur or intensify. Taking this social reality into consideration, the Insurance Law of 2009 revised Article 61 of the original law and clearly stipulated the relevant matters of the beneficiary in Article 39. In addition, at the discussion meeting of the Judicial Interpretation of the Insurance Law (III), the majority of opinions held that the provisions of Article 39 of the Insurance Law are mandatory and that the parties are not allowed to change them through an agreement. This means that even if the unit obtains the consent of the workers, it cannot attempt to designate other beneficiaries, and the designation is invalid. If the unit is allowed to designate beneficiaries after authorization, it may induce workers who are already in an unequal position to sign and recognize other beneficiaries without knowing it, thereby causing moral hazard.

### **3.5. US law denies the employer's right to benefit**

In the United States, although employers can enjoy tax incentives when purchasing group insurance for their employees, the law also emphasizes that group insurance should be established mainly to protect the interests of the insured and their families, thereby curbing the employer's abuse of the right to benefit. When an employer purchases group insurance with employees as the insured, the employer can usually enjoy tax incentives, which encourages employers to purchase insurance for their employees in terms of policy. Since the promulgation

of the Group Life Insurance Model Law in 1971, group life insurance has been regarded as "life insurance signed for non-employer interests."

Suppose a large company purchases life insurance for all its employees and sets itself as the beneficiary. Then, the company can actually obtain unlimited tax deductions by subsidizing the purchase of insurance, and the risks it bears for the insurance it purchases are almost foreseeable due to the statistical certainty of insurance. In this case, the insurance cost is simply equal to the expected loss amount plus a small amount of management costs, which means that the company can easily enjoy tax benefits by simply transferring funds from one account to another. In this process, the company has no real losses, but only gains. In view of this, Texas law stipulates that employers cannot enjoy the right to benefit from ordinary employees and cannot obtain insurance benefits.

#### 4. Conclusion

When the unit is the beneficiary in the life insurance contract, the situation is not only complicated but also very important. Through systematic research and substantive exploration, the relevant institutional system can be gradually optimized and improved, thus laying a solid foundation for the steady development of the insurance industry. At the same time, it is also particularly important to popularize and disseminate insurance knowledge, so as to enhance the public's cognition and understanding of insurance and further promote social stability and harmony.

In summary, in order to effectively protect the legitimate rights and interests of workers, achieve the purpose of establishing the group insurance system, and effectively avoid the risk of employers evading their responsibilities, the benefit rights of units in group insurance should be strictly restricted by amending and improving the law or supplementing judicial interpretations. Judicial interpretations make up for the defects in the application of the law, and legal provisions make mandatory provisions for behavior. At the same time, it is also particularly important to increase the publicity and education of relevant laws and regulations: popularize the law while implementing the law to deepen the impression of the people on the insurance law; reasonably use social forces to popularize the law for public welfare, not only complete the task of popularizing the law, but also build a public welfare team; take into account new technologies and new models, create new methods of popularizing the law, keep pace with the times, and popularize the law efficiently. Popularizing the law is not only conducive to enhancing the legal awareness of workers and units, protecting the legitimate rights and interests of workers, but also plays a positive role in promoting the construction of a rule of law in China, and can further ensure that the group insurance system can be implemented in a healthy, fair and efficient manner.

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