**20:06:13:22.  Annual filing of premium rates.** An issuer of Medicare supplement policies and certificates issued either before or after the effective date of this rule must file its rates, rating schedule, and supporting documentation annually, including ratios of incurred losses to earned premiums by policy duration, for approval by the director in accordance with SDCL 58-17A-4, 58-17-4.1, 58-17-4.2, ARSD chapter 20:06:22, and this chapter. The supporting documentation must also demonstrate in accordance with actuarial standards of practice using reasonable assumptions that the applicable loss ratio standards can be expected to be met over the entire period for which rates are computed. The demonstration shall exclude active life reserves. An expected third-year loss ratio which is greater than or equal to the applicable percentage must be demonstrated for policies or certificates in force less than 3 years.

 **Source:** 8 SDR 174, effective July 1, 1982; 12 SDR 151, 12 SDR 155, effective July 1, 1986; 15 SDR 143, effective March 29, 1989; 18 SDR 225, effective July 17, 1992.

 **General Authority:** SDCL 58-4-1, 58-17A-2.

 **Law Implemented:** SDCL 58-17A-2.