

AN ACT

ENTITLED, An Act to revise provisions concerning stop loss or excess insurance.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 58-18B-35 be amended to read as follows:

58-18B-35. The director shall promulgate rules pursuant to chapter 1-26 regulating the solicitation and sale of multiple employer trusts and multiple employer welfare arrangements. In considering the promulgation of rules pursuant to this section, the director shall take into consideration, the status of the small employer market, the impact such rules would have on the availability of health insurance, and the impact such rules may have on the fair marketing of health insurance in this state. Rules promulgated pursuant to this section may not directly or indirectly affect stop loss or excess insurance covering health claims of employees arising from self-funded employee health programs. The rules may cover:

- (1) Suitability and eligibility of insureds for coverage;
- (2) Method of premium payments;
- (3)
- (4) Contractual obligations and policy provisions of carriers;
- (5) Form filing requirements, including those for approval and disapproval;
- (6) Reporting and recordkeeping requirements;
- (7) Definition of terms; and
- (8) Eligibility of insurers.

Section 2. That § 58-18-52 be amended to read as follows:

58-18-52. Notwithstanding the provisions of chapter 47-34, §§ 47-15-2, 47-22-4, and 47-14-2, any organization may form for the purposes of purchasing group health insurance on a voluntary basis. For purposes of §§ 58-18-52 to 58-18-62, inclusive, an organization means any nonprofit organization or nonprofit corporation formed under South Dakota law. Stop loss or excess insurance

may be purchased in the same manner as group health insurance is purchased pursuant to §§ 58-18-52 to 58-18-62, inclusive.

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I certify that the attached Act
originated in the
SENATE as Bill No. 109

Secretary of the Senate

President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 109
File No.
Chapter No.

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Received at this Executive Office
this ___ day of _____,
19__ at ___ M.

By _____
for the Governor

The attached Act is hereby
approved this ___ day of
_____, A.D., 19__

Governor

STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____, 19__
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State