

AN ACT

ENTITLED, An Act to require certain reforms of health benefit plans issued before July 1, 1996.

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

Section 1. Any health benefit plan issued before July 1, 1996, is subject to the rating limitations provided in this section. For a class of business, the premium rates charged during a rating period to individuals with similar case characteristics for the same or similar coverage, or the rates that could be charged to such individuals under the rating system for that class of business, may not exceed three times the base premium rate after July 1, 2001, two and one-half times the base premium rate after July 1, 2003, and two times the base premium rate after July 1, 2005.

