

State of South Dakota

SEVENTY-FIFTH SESSION
LEGISLATIVE ASSEMBLY, 2000

256D0068

SENATE BILL NO. 5

Introduced by: Senator Drake and Representatives Monroe, Fryslie, Peterson, Volesky, and Weber at the request of the Interim Health Insurance Committee

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

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

4 Section 1. That chapter 58-17 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 The provisions of §§ 58-17-66 to 58-17-81, inclusive, apply, upon their renewal, to all health
7 benefit plans issued before July 1, 1996. For health benefit plans subject to this section, no plan
8 is required to achieve the rate requirements by reducing rates until on or after July 1, 2005. Any
9 health benefit plan that has not achieved compliance with the rate requirements of this chapter
10 may not raise rates. This section applies to health benefit plans issued pursuant to conversion
11 options in an individual or group policy or certificate. If any health benefit plan does not use an
12 actively marketed health benefit plan in the determination of its index rate, then the applicable
13 index rate shall be the average index rate of all carriers actively marketing plans in this state
14 during the prior calendar year.