

State of South Dakota

EIGHTIETH
LEGISLATIVE ASSEMBLY, 2005

400L0242

HOUSE BILL NO. 1047

Introduced by: The Committee on Commerce at the request of the Department of Revenue
and Regulation

1 FOR AN ACT ENTITLED, An Act to authorize premium discounts for small employers who
2 meet certain carrier participation requirements.

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

4 Section 1. That § 58-18B-25 be amended to read as follows:

5 58-18B-25. In applying minimum participation requirements with respect to a small
6 employer, a small employer carrier may consider employees or dependents who have creditable
7 coverage in determining whether the applicable percentage of participation is met. If any
8 employee or dependent with other creditable coverage is to be considered towards calculating
9 the applicable percentage of participation, the employee or dependent shall be counted as
10 participating in the plan.

11 A carrier may provide up to a twenty percent discount for any small employer who achieves
12 a one hundred percent participation rate in the prior year. The discount may be less than the base
13 rate by a factor up to twenty percent. However, no discount below the base rate may be used in
14 determining the index rate for that class of business.

