

AN ACT

ENTITLED, An Act to revise the grounds for which continuation or conversion is not required for group health policies.

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

Section 1. That § 58-18-7.11 be amended to read as follows:

58-18-7.11. No insurer may be required to offer or renew a continuation or conversion policy covering any person if:

- (1) The person is covered for similar benefits by another individual or group policy;
- (2) Similar benefits are provided for or available to such person, by reason of any state or federal law, except any person who becomes entitled to Medicare on or before continuation is elected or who is covered under another group plan on or before continuation is elected;
- (3) The benefits under sources of the kind referred to in subdivision (1) for such person or benefits provided or available under sources of the kind referred to in subdivision (2) for such person, together with the continued or converted policy's benefits, would result in overinsurance according to the insurer's standards for overinsurance;
- (4) There has been fraud or material misrepresentation in applying for any benefits under continued or converted policy;
- (5) The person failed to pay any required contribution;
- (6) There has been cancellation of all similar insurance policies in the entire state;
- (7) For cause on the same basis, the plan could terminate the coverage of a similarly situated active employee;
- (8) The person was terminated from employment for gross misconduct; or
- (9) The group health insurance policy is terminated by an insurer as a result of the group not

meeting an insurer's participation and eligibility requirements.

An Act to revise the grounds for which continuation or conversion is not required for group health policies.

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I certify that the attached Act
originated in the

SENATE as Bill No. 129

Secretary of the Senate
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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 129
File No. _____
Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor
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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor
=====

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

Filed _____, 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State