

State of South Dakota

EIGHTY-THIRD SESSION
LEGISLATIVE ASSEMBLY, 2008

400P0283

SENATE COMMERCE

ENGROSSED NO. **HB 1037** - 2/11/2008

Introduced by: The Committee on Commerce at the request of the Department of Labor

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding action on medical
2 claims for workers' compensation and to establish an administrative fine for delays
3 regarding these medical claims.

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

5 Section 1. That chapter 62-4 be amended by adding thereto a NEW SECTION to read as
6 follows:

7 Within thirty days after receiving a properly submitted bill for medical payments, the
8 employer shall:

- 9 (1) Pay the charge or any portion of the bill that is not denied;
- 10 (2) Deny all or a portion of the bill on the basis that the injury is not compensable, or the
11 service or charge is excessive or not medically necessary; or
- 12 (3) Request additional information to determine whether the charge or service is
13 excessive or not medically necessary or whether the injury is compensable.

14 Section 2. That chapter 62-4 be amended by adding thereto a NEW SECTION to read as
15 follows:



1 An employer that fails, refuses, or neglects to comply with the provisions of section 1 of this
2 Act is subject to a administrative fine of five hundred dollars payable to the Department of
3 Labor for each act of noncompliance, unless the employer had good cause for noncompliance.
4 The department may promulgate rules pursuant to chapter 1-26 to establish standards for
5 medical bill submissions pursuant to section 1 of this Act.