

Sixtieth  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1222

Introduced by

Representatives Kasper, Keiser, Wald

Senators Hacker, Klein, Tollefson

1 A BILL for an Act to amend and reenact section 26.1-36-37.2 of the North Dakota Century  
2 Code, relating to loss ratios for accident and health insurers.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 26.1-36-37.2 of the North Dakota Century Code  
5 is amended and reenacted as follows:

6 **26.1-36-37.2. Loss ratios - Rules.** For all policies providing hospital, surgical,  
7 medical, or major medical benefit, an insurance company, a nonprofit health service  
8 corporation, a fraternal benefit society, and any other entity providing a plan of health insurance  
9 or health benefit subject to state insurance regulation shall return benefits to group  
10 policyholders in the aggregate of not less than ~~seventy-five~~ sixty-five percent of premium  
11 received and to individual policyholders in the aggregate of not less than ~~sixty-five~~ fifty-five  
12 percent of premium received, as determined by the commissioner. The commissioner shall  
13 adopt rules to establish these minimum standards on the basis of incurred claims experienced  
14 and earned premiums for the entire period for which rates are computed to provide coverage in  
15 accordance with accepted actuarial principles and practices. This section does not apply to  
16 any contract or plan of insurance that provides exclusively for accident, disability income  
17 insurance, specified disease, hospital confinement indemnity, or other limited benefit health  
18 insurance.