

**FIRST ENGROSSMENT
with House Amendments**

Sixtieth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2154

Introduced by

Senators Klein, Andrist, Heitkamp

Representatives Ekstrom, Kasper, Ruby

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.

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. The commissioner shall adopt rules to establish these minimum
13 standards on the basis of incurred claims experienced and earned premiums for the entire
14 period for which rates are computed to provide coverage in accordance with accepted actuarial
15 principles and practices. This section does not apply to any contract or plan of insurance that
16 provides exclusively for accident, disability income insurance, specified disease, hospital
17 confinement indemnity, or other limited benefit health insurance.