

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