

Sixtieth  
Legislative Assembly  
of North Dakota

ENGROSSED SENATE BILL NO. 2174

Introduced by

Senators Potter, Andrist, Seymour

Representatives Amerman, Griffin, Nelson

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 insurance policy 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.**

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

- 1           3. The commissioner shall adopt rules to establish minimum standards under this  
2           section on the basis of incurred claims experienced and earned premiums for the  
3           entire period for which rates are computed to provide coverage in accordance with  
4           accepted actuarial principles and practices.