

**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, medical,  
7 or major medical benefit, an insurance company, a nonprofit health service corporation, a  
8 fraternal benefit society, and any other entity providing a plan of health insurance or health  
9 benefit subject to state insurance regulation shall return benefits to group policyholders in the  
10 aggregate of not less than ~~seventy-five~~ seventy percent of premium received and to individual  
11 policyholders in the aggregate of ~~not less than sixty-five percent of premium received~~ an  
12 amount determined by applying the national association of insurance commissioners guidelines  
13 for filing of rates for individual health insurance forms, national association of insurance  
14 commissioners Model Act No. 134, adopted July 2000. The commissioner shall adopt rules to  
15 establish these minimum standards on the basis of incurred claims experienced and earned  
16 premiums for the entire period for which rates are computed to provide coverage in accordance  
17 with accepted actuarial principles and practices. This section does not apply to any contract or  
18 plan of insurance that provides exclusively for accident, disability income insurance, specified  
19 disease, hospital confinement indemnity, or other limited benefit health insurance.