

Sixty-first
Legislative Assembly
of North Dakota

SENATE BILL NO. 2314

Introduced by

Senator Potter

Representative S. Kelsh

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

Sixty-first
Legislative Assembly

- 1 ~~insurance, specified disease, hospital confinement indemnity, or other limited~~
- 2 ~~benefit health insurance.~~