

State of South Dakota

EIGHTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2013

627U0370

HOUSE BILL NO. 1074

Introduced by: Representatives Rounds, Bartling, Cronin, Gosch, Johns, Solum, Tulson, and Wink and Senators Maher, Holien, Kirkeby, Lederman, Rhoden, and Tieszen

1 FOR AN ACT ENTITLED, An Act to define the insurer's responsibilities concerning health
2 insurance policies for newborns or newly adopted children.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That chapter 58-17 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 For any insurer that chooses to automatically cover any newborn or newly adopted child as
7 a dependent without requiring the notice in § 58-17-30.4 and does not collect or track the
8 demographic information on the dependent child, the insurer shall take reasonable steps to
9 provide adequate notice of the insured's responsibility to advise the insurer when there is no
10 longer any child eligible for dependent coverage. An insurer is considered to have taken
11 reasonable steps if prominent disclosure of this responsibility is included in the policy or
12 certificate, subscriber contract, evidence of coverage, or employee handbook if such are
13 provided to all insureds and also provided to prospective insureds at the time of application for
14 coverage. Upon receipt of a notice that a dependent is no longer eligible, the insurer shall adjust
15 the coverage accordingly and, if applicable, return to the insured any unearned premium. This



1 section applies to any policy or certificate subject to the provisions of chapters 58-17 and 58-18.