

State of South Dakota

EIGHTY-FIFTH SESSION
LEGISLATIVE ASSEMBLY, 2010

400R0238

SENATE BILL NO. 35

Introduced by: The Committee on Commerce at the request of the Department of Revenue
and Regulation

1 FOR AN ACT ENTITLED, An Act to require the policyholder's signed acceptance for
2 endorsements that reduce or eliminate coverage upon certain health insurance policy
3 issuance.

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

5 Section 1. That § 58-17-14 be amended to read as follows:

6 58-17-14. There shall be a provision as follows: "Entire contract; changes: This policy,
7 including the endorsements and the attached papers, if any, constitutes the entire contract of
8 insurance. No change in this policy is valid until approved by an executive officer of the
9 insurance company and unless such approval is endorsed or attached to this policy. No insurance
10 producer has authority to change this policy or to waive any of its provisions." Any rider,
11 endorsement, or application added to a policy, upon policy issuance, after the date of issue, or
12 at reinstatement or renewal which reduces or eliminates benefits or coverage in the policy
13 requires signed acceptance by the policyholder. After the date of policy issue, any rider or
14 endorsement which increases benefits or coverage with an accompanying increase in premium
15 during the policy term must be agreed to in writing signed by the insured, unless the increased



1 benefits or coverage is required by law. Coverage as required by § 58-17-98 may be reduced or
2 eliminated by a rider to, or an endorsement on, a new policy if the insurer would reject the
3 application for the policy without the rider or endorsement based upon the applicant's
4 preexisting condition of the type covered by § 58-17-98 and if there is signed acceptance by the
5 policyholder.