

AN ACT

ENTITLED, An Act to authorize the risk pool board to allow additional enrollees into the risk pool under certain circumstances.

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

Section 1. That § 58-17-121 be amended to read as follows:

58-17-121. The board has the general powers and authority enumerated by §§ 58-17-68, 58-17-70, 58-17-85, and 58-17-113 to 58-17-142, inclusive, and, in addition to the responsibilities in § 58-17-119, may:

- (1) Enter into any contract as necessary or proper to carry out §§ 58-17-68, 58-17-70, 58-17-85, and 58-17-113 to 58-17-142, inclusive;
- (2) Take any legal action necessary or proper for recovery of any assessments for, on behalf of, or against participating carriers;
- (3) Take any legal action necessary to avoid the payment of improper claims against the risk pool or the coverage provided by or through the risk pool;
- (4) Use medical review to determine that care is clinically appropriate and cost effective for the risk pool;
- (5) Establish appropriate rates, scales of rates, rate classifications, and rating adjustments, none of which may be unreasonable in relation to the coverage provided and the reasonable operational expenses of the risk pool;
- (6) Issue risk pool plans on an indemnity, network, or provision of service basis and may design, utilize, contract, or otherwise arrange for the delivery of cost effective health care services, including establishing or contracting with preferred provider organizations, health maintenance organizations, and other limited network provider arrangements in providing the coverage required by §§ 58-17-68, 58-17-70, 58-17-85, and 58-17-113 to

58-17-142, inclusive;

- (7) Create appropriate legal, actuarial, and other committees necessary to provide technical assistance in the operation of the risk pool, plan and other contract design, and any other functions within the authority of the risk pool;
- (8) Provide, by including a provision in its plans, for subrogation rights by the risk pool for situations in which the risk pool pays expenses on behalf of an individual who is injured or suffers a disease under circumstances creating a liability upon another person to pay damages to the extent of the expenses paid by the risk pool, but only to the extent the damages exceed the plan deductible and coinsurance amounts paid by the enrollee; and
- (9) Allow an applicant who is not otherwise eligible for coverage pursuant to § 58-17-85 to enroll in the risk pool if all of the following are met:
 - (a) The applicant is covered by an individual health benefit plan that is no longer being marketed in this state and has a premium rate that exceeds two hundred percent of the applicable rate, based upon that person's rating characteristics, charged to risk pool enrollees;
 - (b) The risk pool's financial solvency would not be impaired by enrolling the applicants under this subdivision;
 - (c) Sufficient federal funding exists to cover expected losses for those enrolled pursuant to this subdivision; and
 - (d) The number of applicants enrolled into the risk pool pursuant to this subdivision in any given calendar year does not exceed three percent of the total number of covered persons in individual health benefit plans that are no longer being marketed in this state.

Nothing in §§ 58-17-68, 58-17-70, 58-17-85, and 58-17-113 to 58-17-142, inclusive, constitutes

a waiver of immunity.

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I certify that the attached Act
originated in the

SENATE as Bill No. 200

Secretary of the Senate
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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 200
File No. _____
Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor
=====

The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor
=====

STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State