

AN ACT

ENTITLED, An Act to regulate certain market activity in a health exchange.

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

Section 1. Any qualified health plan as defined by the Patient Protection and Affordable Care Act of 2010 sold in South Dakota through a public health care exchange, as mandated by the Patient Protection and Affordable Care Act of 2010, shall provide for placement through a licensed insurance producer upon enrollment. Any commission paid by a health insurance carrier for the sale of a qualified health plan through a public health exchange shall be the same as a commission paid by the same health insurance carrier outside the public exchange for a similar plan.

Section 2. That § 58-18B-40 be amended to read as follows:

58-18B-40. No small employer carrier may, directly or indirectly, enter into any contract, agreement, or arrangement with an insurance producer that provides for or results in the compensation paid to an agent for the sale of a health benefit plan to be varied because of the health status, claims experience, industry, occupation, or geographic location of the small employer.

Any qualified health plan sold in South Dakota through a health care exchange, as mandated by the Patient Protection and Affordable Care Act of 2010, shall provide for placement through a licensed insurance producer upon enrollment. Any commission paid by a health insurance carrier for the sale of a health insurance plan through a health exchange shall be the same as commission paid by the same health insurance carrier outside the exchange for a similar plan.

Section 3. That chapter 58-33A be amended by adding thereto a NEW SECTION to read as follows:

No multi-state plan as described in Section 1334 of the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, 124 Stat. 119 (2010), as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, 124 Stat. 1029 (2010) may sell, solicit, negotiate,

or otherwise transact health insurance in this state outside of any public exchange which may be operating in this state.

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I certify that the attached Act
originated in the

SENATE as Bill No. 139

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. 139

File No. _____

Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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

Governor

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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