



2026 South Dakota Legislature
House Bill 1292
ENROLLED

AN ACT

ENTITLED An Act to limit the ability of a health carrier to recoup, recover, or retroactively deny previously paid claims.

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

Section 1. That a NEW SECTION be added to chapter 58-17H:

Except as otherwise provided in this section, a previously paid claim may be recouped, recovered, or retroactively denied by the health carrier only within eighteen months from the date the claim payment was made, if the health carrier has provided written notice of the reason to the provider. This limitation does not apply to a previously paid claim that:

- (1) Was determined by the health carrier to have been submitted fraudulently or to involve waste or abuse;
- (2) Is the subject of an adjustment with a different health carrier, administrator, or payor, and the adjustment is not affected by a contractual relationship, association, or affiliation involving claims payment, processing, or pricing;
- (3) Was for medical services covered by casualty insurance, as defined by §§ 58-9-11 to 58-9-27, inclusive;
- (4) Was for medical services covered by a self-insured health plan governed by the Employee Retirement Income Security Act of 1974 (ERISA), 29 U.S.C. §§ 1001 to 1461, inclusive (July 6, 2012);
- (5) Was for medical services covered under medicare, 42 U.S.C. §§ 1395-1395III, inclusive (March 15, 2025), medicaid, 42 U.S.C. §§ 1396 to 1396w-6, inclusive (July 4, 2025), or any other federal law;
- (6) Was for medical services covered by workers' compensation, as provided for in title 62; or
- (7) Was incorrect because the provider or the member was already paid for the medical services identified in the claim.

A violation of this section is subject to enforcement by the Division of Insurance under title 58.

For purposes of this section, "medical services," do not include dental services, pharmaceutical services, or the provision of prescription drug products or supplies.

For purposes of this section, "retroactively deny a previously paid claim" means to retroactively collect claim payments made to a provider by requiring repayment of the payments, reducing other payments currently owed to the provider, withholding or setting off against future payments, or reducing or affecting the future claim payments to the provider in any other manner.

Section 2. That a NEW SECTION be added to chapter 58-17H:

A payment remitted by the provider to the health carrier, as provided for in section 1 of this Act, must be in the amount originally paid by the carrier and may not include any additional fees, penalties, or interest.

Section 3. This Act is applicable to claims for medical services provided on or after July 1, 2026.

An Act to limit the ability of a health carrier to recoup, recover, or retroactively deny previously paid claims.

I certify that the attached Act originated in
the:
House as Bill No. 1292

Received at this Executive Office
this ____ day of _____,
2026 at _____ M.

Chief Clerk of the House

By _____
for the Governor

Speaker of the House

The attached Act is hereby
approved this ____ day of
_____, A.D., 2026

Attest:

Chief Clerk of the House

Governor

STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

President of the Senate

Attest:

Filed _____, 2026
at _____ o'clock __ M.

Secretary of the Senate

Secretary of State

House Bill No. 1292
File No. _____
Chapter No. _____

By _____
Asst. Secretary of State