



2024 South Dakota Legislature
House Bill 1183
ENROLLED

AN ACT

ENTITLED An Act to modernize the process for annual audits of third-party insurance administrators.

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

Section 1. That § 58-29D-13 be AMENDED:

58-29D-13. If an insurer utilizes the services of an administrator, the insurer is responsible for determining the benefits, premium rates, underwriting criteria and claims payment procedures applicable to such coverage and for securing reinsurance, if any. The rules pertaining to these matters shall be provided, in writing, by the insurer to the administrator. The responsibilities of the administrator as to any of these matters shall be set forth in the written agreement between the administrator and the insurer. It is the sole responsibility of the insurer to provide for competent administration of its programs.

In cases where an administrator administers benefits for more than one hundred certificate holders on behalf of an insurer, the insurer must, at least semiannually, conduct a review of the operations of the administrator. At least one review must be an audit of the operations of the administrator, whether conducted on-site or virtually.

An Act to modernize the process for annual audits of third-party insurance administrators.

I certify that the attached Act originated in the:
House as Bill No. 1183

Received at this Executive Office this ____ day of _____, 2024 at _____ M.

Chief Clerk

By _____ for the Governor

Speaker of the House

The attached Act is hereby approved this _____ day of _____, A.D., 2024

Attest:

Chief Clerk

Governor

STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

President of the Senate

Attest:

Filed _____, 2024 at _____ o'clock __ M.

Secretary of the Senate

Secretary of State

House Bill No. 1183
File No. _____
Chapter No. _____

By _____
Asst. Secretary of State