Highlights

- Committee action intensifies as we approach crossover day (February 25).
- HB 1236 (the remaining autism bill) will probably be heard on February 20 in the House State Affairs Committee. Division of Insurance is actively lobbying against the bill.
- HB 1137 (PBM bill) has incredible momentum. It sailed through the House (67-0) on February 11.
- Please note addition of SB 96 to the Report.

HOUSE BILLS

HB 1034 An Act to revise certain provisions regarding unemployment insurance contribution rates.
Sponsor: The Committee on Commerce and Energy at the request of the Department of Labor and Regulation
Summary: This bill is a clean-up of the statutes covering unemployment insurance contribution rates. It extends current rates through December 31, 2019.
NAIFA Position: Monitor
Status: Passed House Commerce and Energy Committee (13-0) on January 16; passed House of Representations (66-0) on January 22; referred to Senate Commerce and Energy Committee.

HB 1053 An Act to revise the value of gifts permitted for certain insurance advertising or promotional programs.
Sponsor: Representative Willadsen and Senator Novstrup
Summary: This bill increases the dollar amount of permitted gifts from insurers and insurance producers to insureds from $25.00 to $100.00
NAIFA Position: Support
Status: Passed House Commerce and Energy Committee (13-0 consent) on January 23; passed House of Representations (66-0) on January 24; referred to Senate Commerce and Energy Committee.

HB 1085 An Act to revise certain programs to advance health care in South Dakota.
Sponsors: Representatives Beal and Senator Bolin
Summary: This is one of several placeholder bills that has been filed. It provides that programs be revised to advance health care in South Dakota.
NAIFA Position: Monitor carefully
Status: Referred to House Health and Human Services Committee.

HB 1088 An Act to prohibit the use of certain electronic devices while driving.
Sponsors: Representative Barthel and Senator Soholt
Summary: This bill changes our texting ban from a secondary offense to a primary offense (Class 2 misdemeanor). It also broadens the definition of mobile electronic devices.
NAIFA Position: Monitor
Status: Passed House Transportation Committee (12-1) on February 5; passed House of Representatives (40-30) on February 6; scheduled for hearing in Senate State Affairs Committee on February 20.

HB 1092 An Act to revise certain provisions regarding campaign finance disclosure reports.
Sponsors: Representative Dennert and Senator Schoenbeck
Summary: As amended, this bill requires all candidates running for a legislative or county office with a recognized political party to file a pre-primary report if there is any primary race for that particular office.
NAIFA Position: Monitor
Status: Passed House State Affairs Committee as amended (12-1) on January 30; passed House of Representatives (62-5) on February 5; passed Senate Taxation Committee (5-0 consent) on February 13; passed Senate (29-0) on February 14.

HB 1099 An Act to provide for the designation of a caregiver to receive information regarding residents of treatment facilities.
Sponsors: Representative Reed and Senator Smith (VJ)
Summary: This bill authorizes a resident of a treatment facility to designate a caregiver to receive notice of the resident’s treatment and aftercare plan. The treatment facility must document the caregiver’s information in the resident’s record. The treatment facility must also give reasonable notice to the caregiver of the resident’s discharge or transfer to a different treatment facility prior to the resident’s discharge or transfer.
NAIFA Position: Monitor
Status: Passed Health and Human Services Committee (13-0) on February 5; passed House of Representatives (69-1) on February 6; scheduled for hearing in Senate Health and Human Services on February 20.

HB 1124 An Act to require health care facilities that perform mammography to inform mammography patients on breast density.
Sponsors: (numerous sponsors) Representative Howard and Senator Soholt
Summary: This bill requires any health care facility that performs mammography services to include information on breast density in the mammogram report. If the interpreting physician determines that a patient has extremely dense breasts, the mammogram report must include a notice so advising the patient.
NAIFA Position: Monitor
Status: Passed Health and Human Services Committee (10-1) on January 31; passed House of
Representatives (68-0) on February 5; passed Senate Health and Human Services Committee (6-0 consent) on February 13; passed Senate (29-0) on February 14.

**HB 1135 An Act to provide for the use of certain confidential information by the director of the Legislative Research Council.**  
**Sponsors:** Representative Haugaard  
**Summary:** This bill requires the state, a department, agency, or political subdivision to provide any documents so requested to be turned over to the director of the LRC. If the documents are confidential, the confidentiality provisions apply to the director. The second section of the bill authorizes the Department of Revenue to disclose tax returns and accompanying information to the director.  
**NAIFA Position:** Oppose  
**Status:** Referred to House State Affairs Committee.

**HB 1137 An Act to revise certain provisions regarding pharmacy benefit managers.**  
**Sponsor:** Representative Gosch Senator Steinhauer  
**Summary:** The first section of this bill prohibits a pharmacy benefit manager from contractually requiring a pharmacy to collect a cost sharing amount for a consumer that is greater than the actual cost of the drug. The second section of the bill prohibits a pharmacy benefit manager from retroactively adjusting a pharmacy claim, except for limited reasons, such as an audit or error. It was amended extensively in committee to achieve those objectives.  
**NAIFA Position:** Monitor  
**Status:** Passed House Health and Human Services Committee as amended (13-0) on February 7; passed House of Representatives as amended (67-0) on February 13; referred to Senate Health and Human Services Committee.

**HB 1143 An Act to revise provisions regarding contribution limits to political action committees.**  
**Sponsors:** Representative Peterson (Kent) and Senator Langer  
**Summary:** This bill applies the single contribution limit of $10,000/year to all political action committees controlled by the same person or entity. Under current law pollical action committees have no campaign contribution limits  
**NAIFA Position:** Monitor  
**Status:** Passed House State Affairs Committee (13-0 consent) on February 8; passed House of Representatives (67-0) on February 11; scheduled for hearing in Senate State Affairs Committee on February 20.

**HB 1170 An Act to revise certain healthcare programs and make an appropriation therefor.**  
**Sponsors:** Representative Karr  
**Summary:** This is a placeholder bill. It appropriates $1.00 from the general fund to revise healthcare plans. The state shall approve vouchers and the state auditor shall draw warrants to pay for expenditures. Any appropriated amounts not expended or obligated by June 30, 2019 shall revert to the general fund.  
**NAIFA Position:** Monitor  
**Status:** Referred to House Health and Human Services Committee.
HB 1219 An Act to revise provisions regarding insurance plans.
Sponsors: Representative Schoenfish and Senator DiSanto
Summary: This bill was hoghoused in House Commerce Committee on February 13. It now allows a person to secure health insurance from a surplus lines insurer to provide coverage when the person is traveling abroad.
NAIFA Position: Monitor
Status: Amended in House Commerce and Energy Committee on February 13; hearing deferred.

HB 1236 An Act to revise certain provisions regarding health insurance coverage.
Sponsors: Representative Cwach and Senator Heinert
Summary: This bill would expand the mandate for coverage of ABA therapy to individual and small group health insurance plans, effective January 1, 2020.
NAIFA Position: Soft opposition
Status: Referred to House State Affairs Committee.

SENATE BILLS

SB 36 An Act to revise the membership of the State Workers’ Compensation Advisory Council.
Sponsor: The Committee on State Affairs at the request of the Department of Labor and Regulation
Summary: The bill adds a ninth member to the State Workers’ Compensation Advisory Council. The ninth member, who is appointed by the Governor, shall serve as chair.
NAIFA Position: Monitor
Status: Passed Senate Commerce and Energy Committee (6-1) on January 17; passed Senate (34-0) on January 22; passed House Commerce and Energy Committee (13-0) on February 6; deferred by House of Representatives.

SB 37 An Act to revise certain provisions regarding association health plans.
Sponsor: Committee on Commerce and Energy at the request of the Department of Labor and Regulation
Summary: This is the Division’s association health plan bill. There have not been any opponents to the bill.
NAIFA Position: Support.
Status: Delivered to the Governor on February 12.

SB 70 An act to revise provisions regarding hospital liens.
Sponsors: Senator Nelson and Representative Johns.
Summary: This bill requires a hospital to submit a bill for payment of reasonable and necessary charges for treatment of an injured person to the person’s health insurer prior to creating a lien. If a lien is created and a health insurer is subsequently identified, the hospital shall submit the bill to the carrier prior to pursuing the lien.
NAIFA Position: Monitor
Status: Passed Senate Health and Human Services Committee as amended (6-0 consent) on February 8; passed Senate (34-0) on February 12; referred to House Judiciary Committee.
SB 78 An act to exempt certain medical providers from licensure.
Sponsors: Senator Curd and Representative Hansen.
Summary: This bill adds to the current list of exemptions of physicians licensed in another state from licensure in South Dakota a physician who provides medical care to an individual athlete or athletic team.
NAIFA Position: Monitor
Status: Passed Senate Health and Human Services Committee (7-0 consent) on January 28; Passed Senate (31-0) on January 29; passed House Health and Human Services Committee (12-0) on February 12.

SB 89 An act to enhance health care in South Dakota.
Sponsors: Senator Bolin and Representative Beal
Summary: This is a placeholder bill. It provides that the Legislature shall pursue opportunities to enhance health care in the state.
NAIFA Position: Monitor
Status: Referred to Senate Health and Human Services Committee.

SB 96 An act to expand application of the tax credit for contributions to a scholarship granting organization.
Sponsors: Senators Schoenbeck and Stalzer and Representatives Hansen and Glanzer
Summary: Former Senator Heineman lobbying for and passed a program that allows insurance companies to receive a credit on premium taxes paid, which dollars to a foundation that provides scholarship monies to lower income students. This bill (1) allows credits to be taken quarterly, and (2) as amended, increases the amount of the credit from 80% to 100%. The $2 million cap remains in effect.
NAIFA Position: Monitor
Status: Passed Senate Education Committee as amended (4-0) on February 14.

SB 120 An Act to modify the time period allowable for certain covenants not to compete.
Sponsors: Senator Greenfield and Representative Peterson (Sue)
Summary: This bill reduces the maximum amount of time for a non-compete covenant from two years to one year. Section 2 of the bill, which applied to captive insurance agents, was deleted in committee.
NAIFA Position: Monitor
Status: Passed Senate Commerce and Energy Committee as amended (4-3) on February 12.

SB 123 An Act to provide for the adoption of privacy protection policies.
Sponsors: Senator Russell and Representative Pischke
Summary: This bill requires nonprofit corporations that provide services that require a person’s social security number to adopt a privacy protection policy setting forth the manner in which the corporation will protect that information. The Bureau of Information and Telecommunications, in concert with the attorney general, shall develop and post sample policies.
NAIFA Position: Monitor
Status: Scheduled for hearing in Senate Commerce and Energy Committee on February 19.
SB 131 An Act to accommodate legislation on Medicaid provider reimbursements.
Sponsors: Senators Wiik and Cronin
Summary: This placeholder bill provides a vehicle for legislation affecting Medicaid providers reimbursements.
NAIFA Position: Monitor
Status: Referred to Senate Appropriations Committee.

SB 134 An Act to accommodate legislation on Medicaid.
Sponsors: Senators Wiik and Cronin
Summary: This placeholder bill provides a vehicle for legislation affecting Medicaid.
NAIFA Position: Monitor
Status: Scheduled for hearing in Senate Appropriations Committee on February 14; action deferred.

SB 136 An Act to provide for the utilization of telehealth by a health care professional.
Sponsors: Senator Curd and Representative Peterson (Kent)
Summary: This bill sets standards/parameters for providers that provide services via telehealth. A minor amendment was made to the bill on the Senate floor.
NAIFA Position: Monitor
Status: Passed Senate Health and Human Services Committee (7-0 consent) on January 30; passed Senate as amended (32-1) on February 6; referred to House Health and Human Services Committee.

SB 137 An Act to provide for the payment of claims for covered services provided by a health care professional via telehealth.
Sponsors: Senator Curd and Representative Peterson (Kent)
Summary: This is the bill we worked on over the past few months with the South Dakota State Medical Association. Health insurers cannot exclude coverage solely because a service is provided by telehealth. The SDSMA has accepted most of our recommendations on the language of this bill. Most significantly, the bill does not mandate payment parity, which we worked diligently to exclude from the bill.
NAIFA Position: Not opposed, in current form.
Status: Passed Senate Health and Human Services Committee (7-0) on January 30; passed Senate (29-4) on February 6; referred to House Commerce and Energy Committee.

SB 173 An Act to make an appropriation to fund certain health care innovation grants and to declare an emergency.
Sponsors: The Committee on Appropriations at the request of the Office of the Governor
Summary: This bill would provide an appropriation of $5,000,000 to Human Services to be used for nursing home innovation grants and $1,000,000 for primary and prenatal care innovation grants.
NAIFA Position: Monitor
Status: Referred to Joint Appropriations Committee.
SB 186 An Act to prohibit the cancellation or nonrenewal of a health insurance policy for a preexisting condition.

Sponsors: Senators Kennedy and Representative Saba

Summary: This bill would prohibit a health insurance policy from being canceled or nonrenewed solely based on a preexisting condition of the insured person.

NAIFA Position: Monitor

Status: Scheduled for hearing in Senate Commerce and Energy Committee on February 19

Respectfully submitted,

Darla Pollman Rogers, Lobbyist