**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 38‑41‑35 SO AS TO REQUIRE EMPLOYERS PARTICIPATING IN A MULTIPLE EMPLOYER SELF‑INSURED HEALTH PLAN TO EXECUTE HOLD HARMLESS AGREEMENTS IN WHICH THE EMPLOYER AGREES TO PAY ALL UNPAID PORTIONS OF INSURED CLAIMS, AND TO REQUIRE THE DEPARTMENT OF INSURANCE TO PROVIDE FORMS THAT MUST BE USED FOR THESE AGREEMENTS, AMONG OTHER THINGS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 41, Title 38 of the 1976 Code is amended by adding:

“Section 38‑41‑35. Each participating employer, as a condition of participation in a multiple employer self‑insured health plan, shall execute an agreement by which the employer agrees to personally pay all claims for benefits covered under the multiple employer self‑insured health plan which are incurred by his or its covered employees and their covered dependents, but which the plan has failed to pay. Such agreements shall be made on forms prescribed by the director and shall extend to all unpaid claims for benefits incurred by the employer’s employees and their dependents during the time such employees and dependents were covered under the multiple employer self‑insured health plan. Neither failure of a participating employer to execute an agreement, nor failure of the plan to require such execution, shall excuse the employer from liability for unpaid claims incurred by covered employees and dependents. An employer shall be deemed to have notice of the requirements of this section, and upon joining a multiple employer self‑insured health plan, the employer shall be deemed to have agreed to liability for unpaid claims of his covered employees and their dependents in the same manner as if an agreement had been executed.”

SECTION 2. This act takes effect upon approval by the Governor.

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