

Bulletin 16-03

To: Health Insurance Issuers
From: Larry Deiter, Director
Date: March 28, 2016
Re: Extension of Transition Policies

On November 14, 2013, the Department of Health & Human Services, Centers for Medicare and Medicaid Services, Center for Consumer Information and Insurance Oversight sent letters to each Insurance Commissioner stating health insurance coverage in the individual and small group market renewed for a policy year starting between January 1, 2014, and October 1, 2014, and associated group health plans of small businesses will not be considered to be out of compliance with the market reforms specified below.

- Section 2701 – Rating Reforms
- Section 2702 – Guaranteed availability of coverage
- Section 2703 – Guaranteed renewability of coverage
- Section 2704 – Prohibition on pre-existing condition exclusions or other discrimination based health status (individual only – HIPAA applies to small group)
- Section 2705 – Relating to prohibition of discrimination against individual participants and beneficiaries based on health status
- Section 2706 – Relating to non-discrimination in health care
- Section 2707 – Relating to comprehensive health insurance coverage
- Section 2709 – Participation in clinical trials

The specific guidance referenced may be accessed at:

<https://www.cms.gov/CCIIO/Resources/Letters/Downloads/commissioner-letter-11-14-2013.PDF>

South Dakota allowed for the transition of plans under [Bulletin 13-05](#) and [Bulletin 14-03](#) – Health Insurance Market Regulations.

On February 29, 2016, an Information Bulletin was issued by Kevin Counihan, Director, Center for Consumer Information and Insurance Oversight, issuing guidance on the extension of this policy. (See <https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/final-transition-bulletin-2-29-16.pdf>). Transitional policies will extend to policy years beginning on or before October 1, 2017, provided all policies end by December 31, 2017. South Dakota will permit issuers that have renewed policies under the transitional policy continually since 2014 to renew such coverage for a policy year starting on or before October 1, 2017; however, any policies renewed under this transitional policy must not extend past December 31, 2017. South Dakota will apply this extension to the individual and small group market.

Issuers whom have not filed rates and forms to operate in 2017 will not be allowed to transition policies.

Issuers wishing to operate under this transition guidance are asked to submit their intentions to the Division of Insurance as an Informational Filing. With this filing please provide the Division with the number of individuals impacted in their respective markets along with the proposed transition plan. Issuers may mark this filing as confidential. Issuers discontinuing their transition policies under the previous issued guidance must submit this intention to the Division as an informational filing.