



Division of Insurance



SOUTH DAKOTA
DEPT. OF **LABOR**
& **REGULATION**

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2018 Health Care Open Enrollment Started Nov. 1

The South Dakota Division of Insurance reminds all agents the 2018 Affordable Care Act (ACA) open enrollment started on Nov. 1 for those with individual policies.

Open enrollment offers South Dakotans the opportunity to review and/or purchase health insurance coverage from options available in the general market as well as the federally facilitated health care exchange, known as the Marketplace.

In a press release issued by the division on Oct. 27, consumers were encouraged to seek assistance from their local agent in identifying any changes in health care needs and discuss plan benefit options available for 2018. An agent's assistance can help the consumer make the most informed decision possible when selecting their health care coverage for 2018.

The 2018 open enrollment period only lasts 45 days, ending Dec. 15, 2017.

Things that should be considered when examining available coverage options include:

- Evaluating a health insurance plan's terms and benefits;
- Reviewing the provider network;
- Assisting with distinguishing which providers, hospitals and other facilities are considered in-network; and
- Identifying the potential for increased out of pocket costs if their existing provider is not considered in-network by the health insurance plan of their choice.

Consumers were reminded to ask questions about any insurance policy they are considering for purchase. The plan being offered may be a type of health insurance, but may not be a comprehensive major medical policy that will provide complete health coverage.

Additional tips were included about receiving unsolicited contact from anyone attempting to sell health insurance. Consumers should:

- Check dlr.sd.gov/insurance for additional information on carriers selling insurance in South Dakota.
- Be aware healthcare.gov is the official website for the federal Marketplace. The site has information on the ACA, qualified health plans and comparisons of Marketplace plans available in 2018. Be cautious of other similar sounding names or websites.

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<http://dlr.sd.gov/insurance>

2018 Health Care Open Enrollment Started Nov. 1, Continued

- Know the federal government and Marketplace will not call selling health insurance.
- Not have to provide information on pre-existing conditions when considering comprehensive health care coverage.
- Not provide Social Security numbers, bank account details or health information. If you are pressured to provide this information, hang up.
- Never agree to any request to send money, especially if presented over the phone.
- Ask for written information about the policy, including premiums. Get the facts up front, before buying, in order to understand what the policy will and will not do.

Two health insurance carriers, Avera Health Plan and Sanford Health Plan, were approved by the Division to sell individual comprehensive health policies during the 2018 open enrollment. Any other company offering health coverage is not approved to sell comprehensive coverage in South Dakota.

Agents and brokers selling in the Marketplace can access information and resources through The Center for Consumer Information and Insurance Oversight (CCIIO) at <https://www.cms.gov/ccio/programs-and-initiatives/health-insurance-marketplaces/a-b-resources.html>. Content includes background information, general resources, news, registration information and training.

Questions or concerns can be directed to the South Dakota Division of Insurance at 605.773.3563 or insurance@state.sd.us.

Notice of Public Hearing to Adopt Rules

A public hearing to adopt rules was held on Oct. 24, 2017, to consider the adoption and amendment of proposed rule changes to South Dakota Administrative Rules [20:08:03](#) and [20:08:07](#).

The reason for adopting the rule is to correct outdated references to the Division of Securities and Department of Revenue and Regulation. Per executive order in 2017, The Division of Securities became part of the Division of Insurance, which is under the Department of Labor and Regulation.

In addition, this rule change establishes a notice filing requirement for Regulation A-Tier 2 offerings and crowdfunding offerings.

The rules package will be presented to the Interim Legislative Rules Review Committee on Nov. 14. The committee agenda and meeting materials is available on the Legislative Research Council's webpage at <http://www.sdlegislature.gov/>.

The division's public hearing notice and proposed rules are available online at http://dlr.sd.gov/insurance/admin_rules/public_hearings.aspx or can be requested from the division at 605.773.3563.

HHS/CMS Issues Statement on Immediate Cease of Cost Share Reduction Payments

The U.S. Department of Health and Human Services (HHS) Acting Secretary Eric Hargan and Centers for Medicare & Medicaid Services Administrator Seema Verma released a statement announcing that cost-sharing reductions payments have been discontinued, effective immediately. That statement can be accessed here: <https://www.hhs.gov/about/news/2017/10/12/trump-administration-takes-action-abide-law-constitution-discontinue-csr-payments.html>.

Continuing Education Provider/Instructor Process Updated

The Division of Insurance recently modernized the continuing education (CE) process for CE providers and the application process for CE instructors.

Administrative rule changes to ARSD 20:06:18:05.03 effective on July 6, 2017, require CE providers to renew all active courses every two years. This will ensure that all education courses are relevant to the insurance industry and insurance producers are getting proper and meaningful education.

In addition, instructor applications are now submitted electronically through Vertafore/Sircon. The completed application will identify course categories, not just specific courses, the applicant is requesting approval to teach.

Additional provider/instructor information is available on the division website at http://dlr.sd.gov/insurance/producers/continuing_education.aspx.

Pearson VUE Selected as Producer Licensing Exam Vendor

South Dakota will have a new producer licensing exam vendor effective Jan. 1, 2018.

A competitive bidding process was initiated and a new vendor, Pearson VUE, was chosen to administer producer licensing exams in South Dakota. This new vendor will have 10 testing sites located in nine cities throughout South Dakota compared to two testing sites offered by the previous vendor.

Pearson VUE administers insurance examinations in 22 jurisdictions in the U.S. They have 18 sites in the surrounding states of Iowa, Minnesota, Montana, North Dakota and Wyoming. They also have 100+ U.S. military on-base testing sites in the U.S. and abroad.

The transition to the new vendor has begun. Sixteen South Dakota insurance producers, including representatives from the IIASD, have already participated in workshops to review the content for the various exams.

Technology Insurance Company Selected as New Servicing Carrier

The Division of Insurance has selected Technology Insurance Company as the workers' compensation assigned risk plan carrier effective Jan. 1, 2018. It will service the plan for five years.

A competitive bidding process was conducted to select the servicing carrier using the services of the National Council on Compensation Insurance (NCCI). NCCI's web-based system distributes the Requests for Proposal (RFP) and receives bid responses to the RFP.

The process began in May 2017 with a total of eight interested carriers. After NCCI reviewed the final bids, the field of entrants was reduced to four. On Aug. 21, the final bid results were presented to the division. On Aug. 25, the division approved NCCI's expert recommendation to select Technology Insurance Company as the new Servicing Carrier.

The previous carrier, Riverport Insurance Company, will service all run-off business related to their previous contract.

2018 Legislative Session

The division is currently preparing for the 2018 Legislative Session officially slated to begin at noon on Jan. 9, 2018. If you wish to discuss potential legislative changes with the division prior to the legislative session, please contact our office at 605.773.3563 or by email at insurance@state.sd.us.

Reminder to Update Contact Information

The South Dakota Division of Insurance reminds all producers, business entities and companies to verify that up-to-date contact information is on file with the division. Accurate contact information, including email addresses, will ensure that all announcements or requests from the division are received and can be addressed in a timely manner.



Producers and Business Entities:

Producers and business entities can access and update their contact information through the [Sircon/Vertafore South Dakota Producer and Agency Portal](#) or [National Insurance Producer Registry \(NIPR\)](#).

Each portal allows producers to access various services including updating contact information, license status and renewal, as well as continuing education requirements. (Account information required to access.)

Insurance Companies:

Companies can review and update their company contact information through the “Company Address Service” portal link available on the division’s website at dlr.sd.gov/insurance. Contact information for the following categories can be altered through the portal:

- Complaints
- External Review
- Mailing Location
- Market Survey
- Contact PIN
- Producer Licensing
- Risk Pool
- Taxes

Companies can access the portal by entering the company’s NAIC ID and assigned PIN. Company contacts that need a PIN or are unsure if a PIN contact has been established for their company can select the “Need PIN” hyperlink available on the portal’s main page. If a PIN contact has been established, the contact name for the company will be provided. If no PIN contact is on file, please contact the division at 605.773.3563 or by email to insurance@state.sd.us.

Recent Administrative Rule Changes/Updates & Bulletins

Administrative Rule Change: Rules 20:06:09 and 20:06:31 – Rules adopting the use of the NAIC ORSA Guidance Manual and updates to credit for reinsurance rules for domestic insurance companies were effective as of Oct. 22, 2017.