

# Division of Insurance

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Merle Scheiber, Director

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## New Certificate of Insurance Forms Approved and Available for Use

Director Merle Scheiber issued a memorandum providing a grace period until 11/1/09 for those issuing certificates of insurance to use complying forms. Both Acord and ISO have now revised their forms and use of either complies with Bulletins previously issued ([09-05](#) and [09-06](#)). The new forms that are in compliance are as follows: **ACORD 24 (2009/09)**, **ACORD 25 (2009/09)**, and ISO form IL C 002 11 09. Additional forms may be available for use in the future that comply with the formats of these new approved forms.

## Want Fast Service? Look to South Dakota

Fast service and quality reviews to ensure adequate consumer protection are what insurance companies and policyholders can expect in South Dakota, according to the state Department of Revenue and Regulation, Division of Insurance.

"Insurance companies that would like to have their filings completed quickly and efficiently should look to South Dakota," said Division of Insurance Director Merle Scheiber. "The Division processes insurance rate-and-form filings in their entirety in an average of fewer than four calendar days. By comparison, the Interstate Compact, which is the mechanism that is lauded for providing efficiency for the insurance industry, takes an average of 20 business days just to do the initial review."

Realistically, insurance companies can expect to get responses from South

Dakota within one or two days of filing. Scheiber says South Dakota has been traditionally faster than other states, but the process was enhanced even more in 2007 when the Division converted to all-electronic filing through SERFF, an electronic filing process available to all insurance companies.

The slow approval or disapproval of insurance company filings experienced in other states have provided a platform for some segments of the insurance industry to back federal legislation providing for an optional federal charter instead of state-based regulation.

"Better service to the insurance industry by the states would do a great deal to ease the insurance industry's concerns about effective and efficient operations at the state level" said Scheiber, adding that South Dakota will even provide same-day service upon request for special-needs filings.

"Safeguarding consumer rights and providing quality service to consumers is equally important," Scheiber said.

Consumers who contact the Division for assistance with problems can expect action within one day.

The Division of Insurance will not be having a pre-legislative meeting. If you would like to meet with the Division regarding your potential legislative items please contact Melissa Klemann at 605.773.3563 or by email [Melissa.klemann@state.sd.us](mailto:Melissa.klemann@state.sd.us)

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## Electronic Method Available to Report Administrative and Criminal Actions

The Division of Insurance will immediately begin to accept documents and notices submitted on behalf of insurance producers through the NAIC/NIPR Attachments Warehouse, which will allow for the electronic filing of insurance producer licensing related documents. The Attachments Warehouse is a secure regulatory database which electronically receives, stores, and shares licensing documents with the States that are submitted with respect to applications and/or renewals of insurance producer licenses through the National Insurance Producer Registry (NIPR).

The Attachments Warehouse may also be used to allow insurance producers to satisfy their regulatory requirements for the notification and reporting of administrative and criminal actions to the Director pursuant to SDCL 58-30-193 and SDCL 58-30-194. Producers may send the required notification and documents to the Attachments Warehouse electronically in lieu of faxing or mailing to the Division of Insurance. This shall satisfy the statutory requirements of the producer to notify and report the action to the South Dakota Division of Insurance within 30 days.

### *ProducerEDGE for Resident Producers*

The South Dakota Division of Insurance, in conjunction with Sircon, has arranged for South Dakota resident producers to take advantage of a new personal compliance web-based tool, called ProducerEDGE™. This service is brought at no additional charge.

ProducerEDGE is an innovative online service, which allows resident producers to easily manage their licensing, renewal, and CE related information, saving time and keeping producers compliant.

By activating the no-cost membership, resident producers will gain access to capabilities like:

- At-a-glance license and renewal tracking
- Convenient license renewal reminders via email
- Integrated license applications, renewals, and full menu of additional services

- Instant access to licensing services in all 50 states
- Comparing your current CE transcript against requirements
- Integrated, secure, online payment processing of state fees
- *AND* the ability to do it all from one convenient and personalized website, which remembers you each time you log in

ProducerEDGE is available via the [Division of Insurance website](#) or at [www.produceredge.com/southdakota](http://www.produceredge.com/southdakota)

Agents are required to notify the Division of a change of address within 30 days pursuant to 58-30-157. This can be accomplished by visiting [www.sircon.com/southdakota](http://www.sircon.com/southdakota). In addition the Division sends all notifications via email, please take a moment to verify your email address is current.

South Dakota is now accepting EFT's. Please remember when making a filing this is the preferred choice of payment.

## Long-Term Care Partnership Education Sessions

**RAPID CITY:** November 3, 2009 **Location:** Rapid City Public Library, 610 Quincy Street **Time:** Sessions will be held at 3 p.m. & 5:30p.m.

**HOT SPRINGS:** November 4, 2009 **Location:** Hot Springs Public Library, 2005 Library Drive **Time:** 2 p.m.

**SPEARFISH:** November 5, 2009 **Location:** Hudson Hall Room B, 222 W Hudson **Time:** 3 p.m. and 5:30 p.m.

**SIOUX FALLS:** November 10, 2009 **Location:** Siouxland Public Library, Caille Branch, 4100 Carnegie Circle **Time:** 3 p.m. and 5:30 p.m.

**CANTON:** November 19, 2009 **Location:** Canton Public Library, 225 N Broadway **Time:** 2 p.m.

**YANKTON:** November 23, 2009 **Location:** Yankton Public Library, 515 Walnut Street **Time:** 2 p.m.

**PIERRE:** December 1, 2009 **Location:** Becker Hanson Board Room, 700 E Broadway **Time:** 3 p.m. and 5:30 p.m.

**PLATTE:** December 2, 2009 **Location:** Platte Public Library, 304 S Main Street **Time:** 2 p.m.

**WATERTOWN:** December 7, 2009 **Location:** Watertown Regional Library, 160 6th Street NE **Time:** Noon and 2 p.m.

**HURON:** December 11, 2009 **Location:** Crossroads Inn Amphitheater, 100 4th Street SW **Time:** Noon and 2 p.m.

**MITCHELL:** December 15, 2009 **Location:** Mitchell Public Library, 221 N Duff St. **Time:** 2 p.m.

### **Message For Long Term Care Insurance Agents: Do you want State participation at your partnership presentations to groups?**

**Here's how:** Both the Division of Insurance and the Department of Social Services are actively promoting the Long Term Care Partnership Program. Staff members are ready and willing to attend group functions to give a presentation on the partnership program, subject to availability. If you are interested you can contact: [Melissa.klemann@state.sd.us](mailto:Melissa.klemann@state.sd.us) 605.773.3564 or [Kathleen.skoglund@state.sd.us](mailto:Kathleen.skoglund@state.sd.us) 605.367.5444

### **Non-Resident Producer Renewal**

**November 1, 2009 - December 31, 2009**

## *Calendar of Events*

*November 1 -  
December 31  
Non-resident  
producer renewal  
period*

*November 11  
Office Closed*

*November 15  
3rd Quarter 2009  
Financial  
Statements -  
Domestic  
Companies*

*November 18  
Rules Review  
Committee*

*November 26  
Thanksgiving Day  
- Office Closed*

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# Insurance Agents: Do Your Clients Know about the Risk Pool?

As an insurance agent, you work hard to make sure your clients are aware of all of their options when it comes to insurance coverage. But what if your client loses their coverage through no fault of their own? Or they've exhausted COBRA and you're unable to find them coverage in the Individual Market? That's when you can help by making them aware that they may be eligible for the South Dakota Risk Pool.

As you know, the South Dakota Risk Pool provides health care coverage for those who cannot qualify for coverage anywhere else. The Risk Pool is able to exist through the partnership of medical providers, insurance carriers, the State of South Dakota, and insurance agents. As an agent, you are encouraged to help identify individuals whose only option may be the Risk Pool and assist them in obtaining coverage. As part of the partnership, agents are paid a reduced commission on individuals enrolled in the Risk Pool.

## Eligibility Requirements

- Be a resident of South Dakota
- Apply within 63 days of losing your prior coverage.
- Have at least 12 months of continuous creditable coverage.
- Have used up COBRA or state continuation coverage.
- Have not had your most recent coverage terminated due to nonpayment of premiums or fraud.
- Not be covered under a group health plan, Medicare, Medicaid, or any other form of health insurance
- Have received notice from your insurance carrier that you are near or have reached your lifetime maximum benefit.

## **Do you know of a child with medical conditions preventing them from obtaining coverage in the individual market and who has been without health coverage for at least 6 months?**

A new law allows children with pre-existing medical conditions and no health care coverage to join the South Dakota Risk Pool. Children who have been without health care coverage for at least 6 months and meet other eligibility requirements were able to enroll beginning July 1, 2009.

## Eligibility Requirements for Uninsurable Children

- Must be a child under 19 years of age
- Citizen of the United States
- Resident of South Dakota
- Denied or offered coverage with riders by two insurance companies
- Have not had health insurance coverage in the last 6 months
- Not covered or eligible for other coverage

For additional information on enrolling individuals into the South Dakota Risk Pool visit [riskpool.sd.gov](http://riskpool.sd.gov) or call 605.773.3148.