



# Division of Insurance



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

124 S. Euclid, 2nd Floor | Pierre, SD 57501  
Phone: 605.773.3563 | Fax: 605.773.5369  
insurance@state.sd.us  
Larry Deiter, Director

Fall 2019

## In this Issue

Page 1

2020 Health Care  
Open Enrollment

Address Change for  
Quarterly and  
Annual Premium Tax  
Remittance

Page 2

2020 Health Care  
Open Enrollment  
(continued from  
page 1)

NIPR Launches  
Mobile App

Page 3

Recent  
Administrative Rule  
Changes

Life Insurance  
Awareness

Page 4

Beware of  
Promissory Note  
Scams

2020 Legislative  
Session

## 2020 Health Care Open Enrollment

The 2020 Affordable Care Act (ACA) Health Insurance Open Enrollment runs from Nov. 1 through Dec. 15, 2019, with an effective coverage date of Jan. 1, 2020.

“Your local health insurance producer can provide assistance in identifying any changes in health insurance needs, as well as discuss plan benefit options available for 2020,” said state Insurance Director Larry Deiter. “Consumers can search for Marketplace-certified producers and brokers in their area through the ‘Find local help’ link at [healthcare.gov](http://healthcare.gov).”

Consumers are 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.

Consumers should:

- Check [dlr.sd.gov/insurance](http://dlr.sd.gov/insurance) for additional information, including carriers selling insurance in South Dakota.
- Be aware [healthcare.gov](http://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 2020.
- Remember no one offering comprehensive health care coverage will ask about pre-existing conditions.
- 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.

[...Open enrollment continued on page 2](#)

## Address Change for Company Premium Tax Payment Remittance

Quarterly and annual premium tax payments formerly sent to Sioux Falls should now be mailed to:

South Dakota Department of Revenue  
Anderson Building  
Mail Code 5055  
445 East Capitol Avenue  
Pierre, SD 57501

## 2020 Open Enrollment, continued

Two health insurance carriers, Avera Health Plans and Sanford Health Plan, have been approved by the Division to sell individual comprehensive health policies during the 2020 open enrollment. Any other company offering health coverage is not approved to sell comprehensive coverage in South Dakota.

The Division, in conjunction with the National Association of Insurance Commissioners (NAIC), has posted two new resources to assist consumers with their health insurance shopping. [What to Ask When Shopping for Health Insurance](#) identifies common questions that should be explored when looking for health insurance coverage. The [Health Insurance Shopping Tool](#) provides guidance when comparing plan benefits and costs.

Insurance producers 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/cciiio/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](mailto:insurance@state.sd.us).

## NIPR Launches New Features to Mobile App

The National Insurance Producer Registry (NIPR) has added new features to its mobile app powered by its Producer Database (PDB).

The app allows insurance professionals fast, convenient access to their credentialing information on a mobile device.

Any professional licensed by a state insurance department can use the app as a safe and secure way to view their basic licensing information - including license numbers, expiration dates and lines of authority.

New features:

*License Renewal Reminder* - Provides notification of upcoming license expiration, giving producers plenty of time to complete their renewals and meet continuing education requirements.

*Appointment Information* - Allows producers to see their company appointments, termination date(s) and effective date(s).

The free NIPR mobile app can be downloaded in the Apple App Store or Google Play.

[View additional information on the NIPR mobile app.](#)

## Administrative Rule Changes

The Division of Insurance completes any updates or changes by following the statutorily defined rules review process. Recent administrative rule changes, proposed rule changes or notices of public hearing can be accessed [here](#).

### [Administrative Rule Changes](#)

**20:06:07, 20:06:12, 20:06:19, 20:06:22, 20:06:25, 20:06:26, 20:06:36, and 20:06:59- Effective Sept. 4, 2019**

Removes outdated reference to NASD and inserts reference to FINRA. Updates sources referenced in rule. Fixes outdated statutory references.

**20:06:18:07 and 20:06:18:08- Effective Nov. 25, 2019**

Updates continuing education (CE) course requirements for insurance producers.

## Life Insurance Awareness

The South Dakota Division of Insurance, in conjunction NAIC, is encouraging insurance producers to help raise awareness about the importance of life insurance and educate consumers about getting the coverage they need.

The [Life Insurance Buyer's Guide](#) is just one useful resource available to help a client make life insurance coverage decisions. Additional materials available through InsureU include FAQs, life insurance myths vs realities, and other tips and tools.

Providing assistance with life insurance goes beyond the purchase. Each year, millions of dollars in life insurance benefits go unclaimed by beneficiaries who are not able to find the policies of their deceased loved ones or may not even know the policies exist.

That's where the [Life Insurance Policy Locator](#) comes in.

The South Dakota Division of Insurance, in conjunction with NAIC, offers access to the [Life Insurance Policy Locator](#). This free online tool gives consumers a way to search for policies and annuities.

The locator is maintained by NAIC and has received over 145,400 requests from across the nation since its launch in November 2016. These requests have led to 46,665 matches of lost or misplaced life insurance policies or annuities with claim amounts of \$650,520,451 being reported by companies.

The policy locator requests are secure, confidential, and free. Any matches found by participating insurers are reported to state insurance agencies through the NAIC Life Policy Locator. The companies are responsible for contacting beneficiaries.

If a policy is found by a company, an attempt will be made to notify all beneficiaries about the policy. If a beneficiary is notified a policy has been found, a certified death certificate and company claim form must be submitted to the insurer. A requester may not receive a response if no matches are found, if they are not the beneficiary, or if the requester has no legal authority to obtain the information.

[Access the Life Policy Locator.](#)

## Be Aware of Promissory Notes

Promissory note scams are a leading source of investor complaints. The South Dakota Division of Insurance reminds producers to be aware of potential product scams that could impact them or their clients.

Promissory notes are a form of debt where the investor agrees to loan money to an entity and the entity promises to pay back the original investment, with interest, over a specific period of time. While some promissory notes can be legitimate investments, some turn out to be scams.

Problems with promissory notes normally fall into three categories: fraud and deception of investors, unregistered securities, and unregistered sellers.

Fraudulent promissory notes are sometimes issued on behalf of a fictitious company. The deception continues when presented as a safe investment with minimal risk, sometimes even claiming the note is guaranteed by insurance companies, and offers a high rate of return.

Promissory notes are customarily considered securities and must be registered with the U.S. Securities and Exchange Commission (SEC) or the state where they are sold or must have a specific legal exemption from the registration requirement. The appropriate securities license or registration is necessary for the person selling these notes.

Individuals operating the scam often persuade others to sell the promissory notes by promising large commissions. Insurance producers cannot sell securities – including promissory notes – without a securities license.

Promissory notes are generally not marketed to the individual investors or the general public. Unsolicited investment offers or the use of high pressure, pushy sales tactics should set off alarm bells about the opportunity.

Each investment opportunity should be thoroughly researched and reviewed before investing. [View information on how to protect you and your clients.](#)

## 2020 Legislative Session

The division is currently preparing for the 2020 Legislative Session officially slated to begin at noon on Jan. 14, 2020. 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](mailto:insurance@state.sd.us).

