



Division of Insurance

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

dlr south dakota department of
**labor and
regulation**

Winter 2015

In this Issue

Page 1

Reminder to Update
Company Contact
Information

Medigap Plans C or F

Page 2

Subsequent Injury
Fund Assessments
(SIFs) Issued

2016 Open Enrollment
Continues

CMS Releases
Proposed Annual
Notice of Benefit and
Payment Parameters
for 2017

Resources Available
for Agents and
Brokers in the
Health Insurance
Marketplace

Page 3

Ridesharing Services

Page 4

Air Ambulance

2016 Legislative
Session

Recent Administrative
Rule Changes and
Bulletins

Reminder to Update Company Contact Information

The South Dakota Division of Insurance (DOI) asks all companies to verify up-to-date contact information is on file with the division. Accurate contact information will ensure that all announcements or requests from the division are received and can be addressed in a timely manner.

Companies can review and update their contact information through the Company Address Service portal link on the division's website at www.dlr.sd.gov/insurance. Contact information for the following categories can be updated through the portal:

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

A company can access the portal by entering the company's NAIC ID and assigned PIN. Company contacts who 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 by the company, the contact name will be displayed. If a PIN contact needs to be designated or if you have any questions on the Company Address Service portal, please contact the division at 605.773.3563 or by email at insurance@state.sd.us.

Medigap Plans C or F

The Division of Insurance reminds agents working with Medicare recipients that consumers can keep a Medigap Plan C or F if they have one currently. Congressional changes to Medigap plans were made in the [Medicare Access CHIP Reauthorization Act \(MACRA\) of 2015](#), which only applies to newly eligible Medicare beneficiaries and prohibits the sale, renewal or retention of these plans starting in 2020. However, these changes do not prohibit the sale of Medigap Plans C or F to people who are already eligible or enrolled in Medicare before 2020; therefore, current enrollees do not need to replace their Medigap Plan C or F and may keep it as long as they maintain eligibility and remain enrolled in the plan.

For information or questions about Medicare or Medigap, visit www.Medicare.gov or call 1-800-MEDICARE (633-4227).

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

Subsequent Injury Fund Assessments (SIFs) Issued

The Division of Insurance mailed Subsequent Injury Fund assessments (SIF) on Dec. 23, 2015. If you have any questions about the SIF invoice your company received, please contact Eva Briggs at 605.773.3563.

2016 Open Enrollment Continues

Open enrollment for individual health care coverage in 2016 runs from Nov. 1, 2015 to Jan. 31, 2016. Coverage can be obtained through the Federally Facilitated Marketplace (FFM) or in the general market. Enrollment can be completed through the Marketplace at www.healthcare.gov, an agent/broker, a navigator or by calling the federal call center. A listing of carriers licensed to operate in South Dakota and offering plans through the Marketplace and in the general market can be found in the Consumers section of the Division of Insurance website at <http://dlr.sd.gov/insurance>.

Each week during open enrollment, the Centers for Medicare and Medicaid (CMS) issues a snapshot view of open enrollment activity through the HealthCare.gov platform. The snapshot provides Marketplace call center and website activity as well as a point-in-time estimate of weekly plan selections processed (including Marketplace new plan selections, active plan renewals and, at the end of December, auto-renewals). Snapshot information can be viewed in the “Fact Sheets” section of the CMS Newsroom website at <https://www.cms.gov/Newsroom/Newsroom-Center.html>.

Resources Available for Agents and Brokers in the Health Insurance Marketplace

Agents and brokers selling through the Federally Facilitated Exchange (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 options.

CMS Releases Proposed Annual Notice of Benefit and Payment Parameters for 2017, Proposing Improvements for the 2017 Marketplace

On Nov. 20, 2015, the Centers for Medicare and Medicaid (CMS) issued the proposed annual HHS Notice of Benefit and Payment Parameters for Plan Year 2017, governing participation in the Health Insurance Marketplaces. A detailed list of proposals in the rule is available at [CMS.gov](http://www.cms.gov). The National Association of Insurance Commissioners (NAIC) filed a [formal comment letter](#) on the proposed rule on behalf of individual states, including South Dakota. The proposed rule and all comments received during the comment period are available at <http://www.regulations.gov>. The direct link to the CY 2017 Notice of Benefit and Payment Parameters CMS-9937-P docket is <http://www.regulations.gov/#!documentDetail;D=CMS-2015-0128-0001>.

Ridesharing Services

Rideshare services are gaining in popularity around the nation and may soon be available in your area. Drivers and passengers should be aware about the potential insurance issues or coverage gaps associated with ridesharing.

Transportation networking companies (TNC) connect passengers with drivers who will transport the customer for a fee. Drivers are arranged through a website or mobile application. They usually use their personal vehicles for the transportation.

Most standard personal auto policies will not cover an accident that occurs when the personal vehicle is used for commercial livery services. In some instances, the policy may specifically exclude ridesharing activities.

Before engaging in ridesharing, drivers for TNCs are encouraged to:

- Read the contract agreement with the company to determine areas of responsibility in the event of accident or injury to the driver and/or passenger(s) as well as property damage.
- Review your personal auto policy along with the TNC's policy, if available, with your local agent, broker or insurance company representative to identify any coverage gaps that may exist.
- Consider purchasing a commercial auto insurance policy.

Passengers utilizing ridesharing services should check ahead of time to ensure that an injury resulting from an accident while riding with the TNC will be covered.

It is important to note that family members, friends, neighbors, or coworkers sharing driving duties and the cost of gas are not usually considered commercial ridesharing activities and should not negate the coverage provided by an individual's auto policy.



Air Ambulance

The use of air ambulance services is becoming more prevalent in emergency response, especially for patients with traumatic injuries, pregnancy complications, heart attacks, strokes and respiratory diseases. It is important for policyholders to know if their health insurance plan provides coverage for air ambulance transport.

While the National Association of Insurance Commissioners (NAIC) reports the average air ambulance trip is 52 miles and costs between \$12,000 and \$25,000, a flight from rural South Dakota to a suitable emergency facility can be much farther. The patient and/or insured may not be familiar with their policy benefits to recognize if an air ambulance service is considered in-network or not, especially after a tragic accident or in the event of a serious health issue.

Insurance carriers and their agents are encouraged to share the NAIC Consumer Alert *Understanding Air Ambulance Insurance** with their policyholders. This outreach tool can provide your clients with a better understanding of this type of emergency response and the potential for an unexpected emergency care bill.

*Direct link to consumer alert: http://www.naic.org/documents/consumer_alert_understanding_air_ambulance_insurance.htm

2016 Legislative Session

The division is currently preparing for the 2016 Legislative Session, which is officially slated to begin at noon on Jan. 12, 2016. 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.

Recent Administrative Rule Changes & Bulletins

Administrative Rule Changes (effective date – Dec. 3, 2015)

Rules 20:06:09, 20:06:39, and 20:06:40 - Updates rules regarding holding company reporting requirements and certificates of creditable coverage.

All of us at the South Dakota Division of Insurance wish everyone a healthy and

Happy New Year