

Department of Labor & Regulation
Division of Insurance
Notice of Public Hearing to Adopt Rules

A public hearing will be held in the West River Conference Room, 124 South Euclid Avenue, 2nd Floor, Pierre, SD 57501, on May 8, 2018 at 10:00 a.m., to consider the adoption and amendment of proposed rules to the following:

Chapter 20:06:13

The effect of this rule change is to update the Division's Medicare Supplement rules. These rules indicate which Medicare Supplement plans may be sold to newly eligible individuals after December 31, 2019 and also incorporate 2018 Medicare Supplement coverage amounts.

The reason for adopting this rule is to ensure that enrollees are given correct plan information and brings our Medicare Supplement rules into compliance with federal regulations. This will allow us to continue to regulate these types of plans and help consumers.

Chapter 20:06:21

The effect of this rule change is to update our long-term care insurance rules.

The reason for adopting these rules is to help ensure adequate consumer protections are in place and also make our rules more consistent with national standards.

Chapter 20:06:22

This rule change revises rating standards for health insurers offering health benefit plans.

The reason for adopting this rule is to define rating areas more accurately for health insurers in the state.

Chapter 20:08:05

This rule change updates the definition of "qualified custodian" in regards to investment adviser client assets.

The reason for adopting this rule change is that our rule currently is more restrictive than federal law and potentially prohibits our local trust companies from acting as qualified custodians. This rule change will clearly allow trust companies to act as qualified custodians.

Persons interested in presenting data, opinions, and arguments for or against the proposed rules may do so by appearing in person at the hearing or by sending them to the South Dakota Division of Insurance, 124 South Euclid Avenue, 2nd Floor, Pierre, South Dakota 57501.

After the hearing, the Division of Insurance will consider all written and oral comments it receives on the proposed rules. The comment period will remain open for ten days following the

public hearing and will close on May 18, 2018. The Division may modify or amend a proposed rule at that time to include or exclude matters that are described in this notice.

Notice is further given to individuals with disabilities that this hearing is being held in a physically accessible place. Please notify the Division of Insurance at least 48 hours before the public hearing if you have special needs for which special arrangements must be made. The telephone number for making special arrangements is (605) 773-3563.

The text of the proposed rules will be posted on the Department of Labor & Regulation's website: http://dlr.sd.gov/insurance/admin_rules/public_hearings.aspx. The text of the proposed rules will also be posted on the state rules portal website, rules.sd.gov. The rules may also be obtained as a Microsoft Word attachment by emailing mallori.barnett@state.sd.us. Paper copies of the proposed rules may be obtained without charge from:

South Dakota Division of Insurance, Administrative Rules
124 South Euclid Avenue, 2nd Floor
Pierre, South Dakota 57501