

Bulletin 04-04

To: Individual Health Carriers and Interested Parties

From: Gary Steuck, Director

Re: HIPAA health insurance access

Date: May 5, 2004

Conversion plans

Under current law, SDCL 58-17-85, someone who is enrolled in a conversion plan is ineligible for coverage into the South Dakota Risk Pool. While a person can not use a conversion plan as the last coverage for purposes of qualifying for the risk pool, conversion plans are still creditable coverage and must be counted both towards satisfaction of a preexisting waiting period and for purposes of attaining the minimum amount of 12 months of prior creditable coverage for purposes of qualifying for the South Dakota Risk Pool.

Risk Pool eligibility

The current statutory language for eligibility into the risk pool states that a person does not qualify for coverage if they are either covered or eligible to be covered by other creditable coverage. As a practical matter, the risk pool has not tried to determine eligibility for other individual health insurance that may be creditable coverage in the application process. Those that may possibly be eligible for individual coverage may apply and be accepted into the risk pool. Once an applicant is enrolled into the risk pool, if an individual is potentially eligible for other creditable coverage, assistance will be provided to aid the enrollee in finding acceptable individual health insurance coverage as an alternative to the risk pool.