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## Memorandum

DATE: May 12, 2010  
TO: Medicare Supplement Insurers  
FROM: Merle Scheiber, Director  
RE: Medicare Supplement Discontinuance

Questions have arisen with respect to the application of ARSD 20:06:13:22.05 regarding discontinuing offering Medicare supplement plans in this state. On June 14, 2009 NAIC addressed discontinuance relative to 2010 plans with a letter from the Medicare Supplement Model Revisions Implementation Subgroup Issued to the Senior Issues Task. That letter is attached by reference. Please be advised that South Dakota is allowing the one year period as recommended in this letter.

In addition, there is differing standards as to when an issuer must notify the Division as to its intent to discontinue offering a plan. ARSD 20:06:13:22.05 requires a 30 day notice. However, SDCL 58-11-62 requires a 90 day time frame but does provide for Director discretion in shortening that time frame. Please be advised that the time frame in excess of 30 days for Medicare supplement discontinuances is hereby waived pursuant to SDCL 58-11-62. Issuers will be in compliance with SDCL 58-11-62 by complying with the notice provisions of ARSD 20:06:13:22.05