**20:06:13:77.  Creditable coverage.** For purposes of this chapter, creditable coverage is defined as follows:

(1)  "Creditable coverage," with respect to an individual, coverage of the individual provided under any of the following:

(a) A group health plan;

(b) Health insurance coverage;

(c) Part A or Part B of Title XVIII of the Social Security Act (Medicare);

(d) Title XIX of the Social Security Act (Medicaid), other than coverage consisting solely of benefits under § 1928;

(e) Chapter 55 of Title, 10 United States Code (CHAMPUS);

(f) A medical care program of the Indian Health Service or of a tribal organization;

(g) A state health benefits risk pool;

(h) A health plan offered under chapter 89 of Title 5, United States Code (Federal Employees Health Benefits Program);

(i) A public health plan as defined in federal regulation; and

(j) A health benefit plan under § 5(e) of the Peace Corps Act (22 U.S.C. § 2504(e));

(2)  "Creditable coverage” may not include one or more, or any combination, of the following:

(a) Coverage only for accident or disability income insurance, or any combination;

(b) Coverage issued as a supplement to liability insurance;

(c) Liability insurance, including general liability insurance and automobile liability insurance;

(d) Workers' compensation or similar insurance;

(e) Automobile medical payment insurance;

(f) Credit-only insurance;

(g) Coverage for on-site medical clinics; and

(h) Other similar insurance coverage, specified in federal regulations, under which benefits for medical care are secondary or incidental to other insurance benefits;

(3)  "Creditable coverage," may not include the following benefits if they are provided under a separate policy, certificate, or contract of insurance or are otherwise not an integral part of the plan:

(a) Limited scope dental or vision benefits;

(b) Benefits for long-term care, nursing home care, home health care, community-based care, or any combination thereof; and

(c) Any other similar, limited benefits as are specified in federal regulations;

(4)  "Creditable coverage," may not include the following benefits if offered as independent, noncoordinated benefits:

(a) Coverage only for a specified disease or illness; and

(b) Hospital indemnity or other fixed indemnity insurance;

(5)  "Creditable coverage" may not include the following if it is offered as a separate policy, certificate, or contract of insurance:

(a) Medicare supplemental health insurance as defined under § 1882(g)(1) of the Social Security Act;

(b) Coverage supplemental to the coverage provided under Chapter 55 of Title 10, United States Code; and

(c) Similar supplemental coverage provided to coverage under a group health plan.

**Source:** 25 SDR 44, effective September 30, 1998.

**General Authority:** SDCL 58-17A-2(9).

**Law Implemented:** SDCL 58-17A-2(9).