**20:06:21:29.  Replacement notices.** Upon determining that a sale will involve replacement, an insurer, other than an insurer using direct response solicitation methods or its agent, shall furnish the applicant, before issuance or delivery of the individual long-term care insurance policy, a notice regarding replacement of accident and sickness or long-term care coverage. The applicant shall retain one copy of the notice and the insurer shall retain an additional copy signed by the applicant. The notice must be substantially the same as the notice published in Appendix B at the end of this chapter.

Insurers using direct response solicitation methods shall deliver a notice regarding replacement of accident and sickness or long-term care coverage to the applicant upon issuance of the policy. The notice must be substantially the same as the notice published in Appendix C at the end of this chapter.

If replacement is intended, the replacing insurer shall notify, in writing, the existing insurer of the proposed replacement. The existing policy shall be identified by the insurer, name of the insured and policy number, and address, including zip code. The notice shall be made within five working days from the date the application is received by the insurer or the date the policy is issued, whichever is sooner.

**Source:** 22 SDR 97, effective December 18, 1995.

**General Authority:** SDCL 58-17B-4.

**Law Implemented:** SDCL 58-17B-5.1.