**20:06:21:31.  Standards for marketing -- Requirements.** Each insurer, health care service plan, or other entity marketing long-term care insurance coverage in this state, directly or through its producers, shall:

 (1)  Establish marketing procedures and agent training requirements to assure that any comparison of policies by its agents or other producers will be fair and accurate;

 (2)  Establish marketing procedures and agent training requirements to assure that excessive insurance is not sold or issued;

 (3)  Display prominently by type, stamp, or other means, on the first page of the outline of coverage and policy the following: "Notice to buyer: This policy may not cover all of the costs associated with long-term care incurred by the buyer during the period of coverage. The buyer is advised to review carefully all policy limitations";

 (4)  Inquire and otherwise make every reasonable effort to identify whether a prospective applicant or enrollee for long-term care insurance already has accident and sickness or long-term care insurance and the types and amounts of any such insurance, except in the case of qualified long-term care insurance contracts, an inquiry into whether a prospective applicant or enrollee for long-term care insurance has accident and sickness insurance is not required;

 (5)  Establish auditable procedures for verifying compliance with this section; and

 (6)  Provide an explanation of contingent benefit upon lapse provided for in subdivision 20:06:21:58(4)(c) and, if applicable, the additional contingent benefit upon lapse provided to policies with fixed or limited premium paying periods in subdivision 20:06:21:58(4)(d).

 If the state in which the policy or certificate is to be delivered or issued for delivery has a senior insurance counseling program approved by the director in the state in which the certificate was issued, the insurer shall, at solicitation, provide written notice to the prospective policyholder or certificateholder that such a program is available and the name, address, and telephone number of the program.

 **Source:** 22 SDR 97, effective December 18, 1995; 33 SDR 230, effective July 2, 2007; 44 SDR 184, effective June 25, 2018.

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

 **Law Implemented:** SDCL 58-17B-4, 58-17B-12.