**20:06:39:63.  Coverage issued outside open enrollment.** A health insurance issuer may issue a health plan to any individual applying for coverage outside of an insurance Exchange and outside of an open enrollment period. For health plans offered outside the exchange and outside an open enrollment the following apply:

(1)  For those that are uninsured the issuer may require a waiting period of not more than 90 days from the date of application until coverage is effective;

(2)  For uninsured applicants only a bronze level plan or, if eligible, a catastrophic plan may be issued with an effective date consistent with open enrollment standards;

(3)  For those with creditable coverage within 63 days of the date of application, only coverage in the same metal level as the applicant's prior coverage may be issued. This section applies to all applications received after March 31, 2014, in the individual market outside the Exchange that are not received during an open enrollment period. For purposes of this section an uninsured does not include a person who lapsed or voluntarily terminated coverage in the past 12 months prior to applying.

**Source:** 39 SDR 203, effective June 10, 2013.

**General Authority:** SDCL 58-17-87.

**Law Implemented:** SDCL 58-17-87.