**20:06:47:03.  Unacceptable claims procedures.** The claims procedures may not contain any provisions or be administered in a method that unduly inhibits or hampers the initiation or processing of claims for benefits such as:

 (1)  Denying a claim for lack of prior authorization in circumstances where obtaining authorization could seriously jeopardize the life or health of the covered person or the ability of the covered person to regain maximum function;

 (2)  Precluding an authorized representative from acting on behalf of a covered person;

 (3)  Requiring the filing of more than two appeals of an adverse benefit determination prior to taking civil action;

 (4)  Requiring arbitration; and

 (5)  Imposing fees or costs for voluntary appeals.

 **Source:** 30 SDR 39, effective September 28, 2003; 37 SDR 241, effective July 1, 2011.

 **General Authority:** SDCL 58-17H-49.

 **Law Implemented:** SDCL 58-17H-49.