

State of South Dakota

EIGHTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 2007

400N0365

SENATE HEALTH AND HUMAN SERVICES
COMMITTEE ENGROSSED NO. **SB 65** - 01/22/2007

Introduced by: The Committee on State Affairs at the request of the Department of Social Services

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding the reimbursement
2 for medical assistance made by certain insurers to the state.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 58-12-23 be amended to read as follows:

5 58-12-23. Notwithstanding any ~~other~~ provision of a ~~health benefit plan, health insurance~~
6 policy, plan, contract, or certificate, an insurer shall recognize that an application for medical
7 assistance or acceptance of medical assistance, paid by the Department of Social Services
8 operates as a release of any information kept by the insurer ~~and readily available~~, that would
9 facilitate efficient coordination of benefits between the department and the insurer, which may
10 include:

- 11 (1) The name, address, date of birth, social security number if available, and unique
12 health care identification number of the covered individual;
- 13 (2) The name, address, date of birth, social security number if available, policy number,
14 group identification number of the policyholder, sponsor, or subscriber;
- 15 (3) The name and address of the employer if it is an employer-employee benefit plan;



1 types of services covered under the plan or policy; and the name and address of the
2 claims administrator for the policy or plan;

3 (4) Previously paid benefits including the name and address of the payee; and

4 (5) The name and address of claims processing or administration centers, or both.

5 Upon written request by the department, the insurer shall provide the requested information
6 in writing within thirty calendar days of receipt of the request.

7 Section 2. That § 58-12-24 be amended to read as follows:

8 58-12-24. Notwithstanding any ~~other~~ provision of a ~~health benefit plan, health insurance~~
9 ~~policy, plan, contract, or certificate, that is issued, entered into, or renewed after July 1, 2005,~~
10 ~~no insurer may refuse to reimburse the Department of Social Services because of the manner,~~
11 ~~form, or date of a claim for reimbursement, if within one year after the date the claim has been~~
12 ~~paid by medicaid, for which reimbursement is sought, the department provides the insurer~~
13 ~~evidence of the insurer's liability~~ for medical assistance paid by the department on the basis of
14 the date of submission of the claim, the type or format of the claim form, or a failure to present
15 proper documentation at the point-of-sale for which reimbursement is sought, if the claim is
16 submitted within three years from the date the item or service was furnished and any action by
17 the department to enforce its rights with respect to such claim is commenced within six years
18 of the department's submission of such claim.

19 Section 3. That § 58-12-26 be amended to read as follows:

20 58-12-26. For the purposes of §§ 58-12-22 to 58-12-29, inclusive, the term, insurer, means:

21 (1) Any commercial insurance company, employer-employee benefit plan, health
22 maintenance organization, professional association, service benefit plan, public self-
23 funded employer or pool, union, or fraternal group selling or otherwise offering
24 individual or group health insurance coverage including self-insured and self-funded

1 plans;

2 (2) Any profit or nonprofit prepaid plan offering either medical services of full or partial
3 payment for services included in the department's medicaid plan;

4 (3) Any other entity offering health benefits for which a medicaid recipient may be
5 eligible in addition to public medical assistance; ~~or~~

6 (4) Any managed care organization, third-party administrator, pharmacy benefits
7 manager, or other entity which processes claims, administers services, or otherwise
8 manages health benefits on behalf of any of the aforementioned insurers; or

9 (5) Any other party that is by statute, contract, or agreement, legally responsible for
10 payment of a claim for a health care item or service including workers' compensation,
11 automobile insurance, and liability insurance plans.

12 Section 4. That § 58-12-29 be repealed.

13 ~~—58-12-29. Sections 58-12-22 to 58-12-29, inclusive, do not apply to any coverages under a~~
14 ~~personal lines property and casualty policy.~~