**20:06:21:26.01.  Notice to claimants -- Temporary leave.** Within 30 days of receiving a claim or other written notice that an insured has entered a nursing home or assisted living center, the insurer must provide notice to the insured of the applicable policy or certificate provisions that would apply should the insured temporarily leave the nursing home or assisted living center. If benefits are provided through a bed reservation benefit or other policy provision, the notice must explain the extent of such coverage. If benefits are excluded, the notice must advise the insured of the scope of the exclusion and identify any applicable policy or certificate provision. If a temporary absence from the nursing home or assisted living center affects other policy or certificate benefits or conditions such as waiver of premium, that effect must also be explained in the notice. If, as of the effective date of this rule, an insured had been in a nursing home or assisted living center for 30 or more days and the insurer had received notice of the nursing home or assisted living center stay, the notice required pursuant to this section must be provided to that insured. An insurer may satisfy the requirements of this section by including the notice requirements in other written communications, including claim communications, sent to the insured. No filing of the notice to the director is required. The provisions of this section will be effective October 1, 2005.

The following sample language of notices may be used by insurers to comply with the notice requirements of this section provided that it is consistent with the provisions of the policy or contract:

(1)  Your [policy] has a bed reservation benefit. If you leave the nursing home or assisted living center for a period of not more than [X] days during a 12-month period, those days are payable subject to other [policy] limitations that may apply.

(2)  Your [policy] does not contain bed reservation benefits. If you leave the nursing home or assisted living center and are not provided care by that facility, you will not be covered for the days that your were absent from the facility. The absence [will/will not] result in your having to again satisfy the waiver of premium waiting period.

**Source:** 31 SDR 214, adopted June 16, 2005, effective October 1, 2005.

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

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