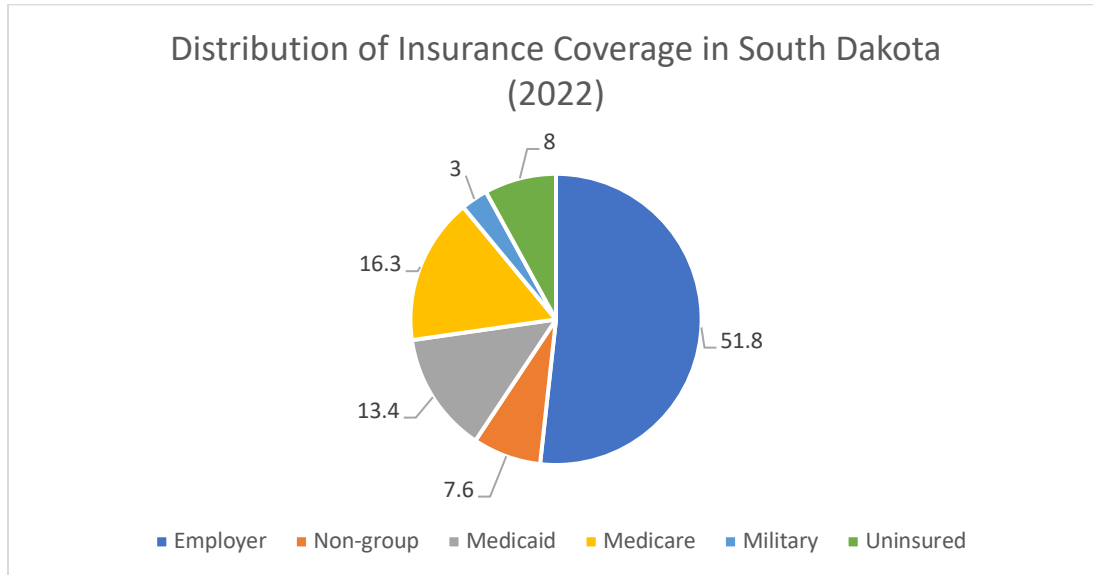


South Dakota

Sources of Insurance Coverage



*Source: KFF, *Health Insurance Coverage of the Total Population, 2022*

Medicare

In South Dakota, [142,400](#) residents are enrolled in Medicare, 16.3% of the state's population (2022 data). Of those, [16%](#) are enrolled in a Medicare Advantage plan. For South Dakotans in the traditional Medicare program, South Dakota's [Department of Labor & Regulation/Division of Insurance](#) regulates Medicare supplemental plans. A list of companies actively marketing Medicare supplemental plans in South Dakota is available [here](#).

Medicaid and the Children's Health Insurance Program (CHIP)

In South Dakota, [117,000](#) people are enrolled in Medicaid or CHIP, 13.4% of the population (2021 data). South Dakota adopted Medicaid expansion under the Affordable Care Act, effective July 1, 2023.

In South Dakota, the CHIP program operates as an extension of Medicaid. Via Medicaid, South Dakota covers children up to [187% FPL](#); the state uses the CHIP program to cover children in households with income up to 209% FPL. Approximately [28%](#) of all births in South Dakota are covered by Medicaid. South Dakota's [Department of Social Services](#) manages the Medicaid and CHIP programs.

Employer-sponsored Insurance

In South Dakota, [452,000](#) people are covered by employer-sponsored insurance (ESI), or 51.8% of the total state population (2022 data). Approximately [46.5%](#) of South Dakota employers

offer ESI. However, offer rates vary significantly by size of firm. In South Dakota, 97.9% of large firms (50 or more employees) offer ESI, while only 33% of small employers offer ESI.

In South Dakota, approximately [30.8%](#) of private sector businesses that offer coverage self-fund at least one health plan. For large firms (50 or more employees) that offer coverage, 45.1% self-fund at least one health plan.

Individual Market Insurance

Approximately [7.6%](#) of South Dakotans are enrolled in the individual market (2022 data). In 2023, [47,591](#) South Dakota residents selected a plan through the Affordable Care Act Marketplace, which in South Dakota is run by the federal government and accessible through [HealthCare.gov](#). It is more challenging to ascertain enrollment numbers for off-Marketplace individual market enrollment.

Individual market health insurance (both on- and off-Marketplace) is regulated in South Dakota by the [Division of Insurance](#).

Other Coverage

Some South Dakotans are enrolled in other forms of insurance coverage, such as coverage for the military (TRICARE or U.S. Veterans Administration), which covers [3%](#) of the population, or 25,800 residents.

The Uninsured

Approximately [8%](#) or 69,700 South Dakota residents are uninsured (2022 data). This is slightly better than the national average of 8.5%. Among the non-elderly, people of color are significantly more likely to be uninsured in South Dakota than White people. American Indian/Alaska Native residents have the highest [uninsured rate](#) (29.5%), followed by Hispanic residents (14.5%). Approximately 6.9% of White residents are uninsured. Lack of insurance is also highly correlated with income. Approximately [23.9%](#) of people under 100% FPL are the uninsured in South Dakota, while 3.3% of people over 400% FPL are uninsured.

State Regulators: South Dakota

CMS is responsible for the oversight of Medicare Advantage plans. The CMS Regional Office for South Dakota is based in Denver, CO. Contact information is available [here](#).

South Dakota Division of Insurance (DOI)

The South Dakota DOI is an agency within the Department of Labor & Regulation. The DOI regulates the business of insurance in the state. For health insurance companies, DOI is responsible for:

- **Licensure:** All insurers operating in the state must demonstrate that they are financially solvent and capable of paying claims. After initial licensure, companies must file financial information with the DOI annually. A database of companies licensed in South Dakota is available [here](#).
- **Form review:** DOI reviews health insurers' contracts and covered benefits to ensure that they comport with state and federal laws, including state benefit mandates.
- **Rate review:** Health insurers are required to submit proposed premium rates to DOI for review on an annual basis. Company-specific information to support proposed rates in the individual and small-group markets can be accessed [here](#).
- **Marketing:** DOI is responsible for oversight of insurers' marketing tactics and discouraging unfair or deceptive tactics. DOI is also responsible for the licensing and oversight of health insurance agents and brokers. The DOI provides a look up tool for agents and brokers licensed to do business in South Dakota [here](#). Company market share data is available [here](#).
- **Enforcement:** DOI has authority to enforce state and federal insurance laws. Their enforcement tools can range from requesting a corrective action, issuing a cease and desist order, imposing fines, or seeking an injunction. Consumers can submit complaints about their insurance company, agents or brokers [here](#).
- **Appeals:** Under the Affordable Care Act, insurers must provide enrollees with the right to an external, independent appeal. DOI manages the external review process for insured individuals. Consumers can file external review requests [here](#).

South Dakota law allows the state [Farm Bureau](#) to offer health benefit plans to its members. Such plans are not defined under state law as health insurance, and are not required to comply with federal or state health insurance standards and regulations.

South Dakota Department of Social Services (DSS)

DSS manages the Medicaid and CHIP programs. Unlike many other states, South Dakota does not use Managed Care Organizations to deliver Medicaid/CHIP benefits to enrollees. DSS provides FAQs on eligibility and benefits for Medicaid and CHIP [here](#), and consumers can contact the agency [here](#).

South Dakota Attorney General's Office

South Dakota's Attorney General represents the state in court when there is an action against an insurance company, entity, or individuals engaged in potentially fraudulent activity. The department also investigates unfair or illegal business practices. Consumers can submit complaints about medical or insurance company practices [here](#).

Other Sources of Information

Health Insurance Navigators, Agents and Brokers (collectively, "consumer assisters")

Although South Dakota's health insurance Marketplace is run by the federal government, CMS provides grants to local organizations called "Navigators" that are tasked with assisting consumers determine eligibility for subsidized coverage programs and helping them with post-enrollment questions. South Dakota-based health insurance agents and brokers perform similar consumer assistance functions, and are generally paid on a commission basis. These consumer assisters can be helpful sources of information about health insurance and the challenges consumers face. They can be located through the "[Find Local Help](#)" search portal on HealthCare.gov.