



March 29, 2013

Merle Scheiber  
Director, Division of Insurance  
South Dakota Department of Labor and Regulation  
445 East Capitol Avenue  
Pierre, SD 57501-3185

Dear Director Scheiber:

Thank you for your letter sharing your intent to undertake activities relating to the certification of the Qualified Health Plans (QHPs) that will be available to consumers beginning on October 1, 2013.

Specifically, you have attested that South Dakota has the legal authority and operational capacity to conduct the plan management activities required to support certification of QHPs, as described in 45 CFR 155.1010(a). In addition, South Dakota will perform all plan management activities listed in Section 4.0 of the Blueprint in time for the 2013 QHP selection process.

Finally, thank you for participating in the review with the Centers for Medicare & Medicaid Services (CMS) to determine South Dakota's operational plans and capacity to perform these functions. Following this one-day review, CMS will initiate a process under which it may rely on South Dakota's recommended determinations that health plans meet QHP certification requirements.

Please note that this process may require a written understanding between South Dakota and CMS in addition to any agreement under which section 1311(a) grant funds are provided. Assuming South Dakota continues to act in accordance with your attestations CMS will continue to rely on South Dakota's recommendations in certifying QHPs. CMS, however, will maintain its legal responsibility for ensuring that QHPs meet all QHP certification standards.

Sincerely,

Gary Cohen, Director  
Center for Consumer Information and Insurance Oversight