

South Dakota Department of Insurance Standard External Health Review Process

External Review Request

[Administrative Rule of South Dakota \(ARSD\) 20:06:53:12](#)

At any time during four month following receipt of notice of adverse determination or final adverse determination:

- Division of Insurance receives External Review Request Form and \$25 filing fee.
- The Division opens an official file and assigns a file number.
- The Division sends the request to the external review contact as identified by the health carrier within one business day.

Preliminary Review of the Request

The health carrier completes the preliminary review of request within five business days. Review for the following:

- Individual is or was covered in the health benefit plan at the time the health care service was requested or, in the case of a retrospective review, was a covered person in the health benefit plan at the time the health care service was provided;
- The health care service that is the subject of the adverse determination or the final adverse determination is a covered service under the covered person's health benefit plan, but for a determination by the health carrier that the health care service is not covered because it does not meet the health carrier's requirements for medical necessity, appropriateness, healthcare setting, level of care or effectiveness;
- The covered person has exhausted the health carrier's internal grievance unless the covered person is not required to exhaust the health carrier's internal grievance.
- the covered person has provided all the information and forms required to process an external review, including the release form.

Not Complete or Ineligible

[ARSD 20:06:53:13](#)

The health carrier shall inform the covered person, if applicable, the covered person's authorized representative and the Division of Insurance in writing if not complete or ineligible within one business day.

- Include what is needed in order to complete the request.
- Must include a statement that the health carrier's preliminary review determination may be appealed to the Division of Insurance.

Eligible for Review

[ARSD 20:06:53:14](#)

The Division of Insurance notifies the covered person and, if applicable, the covered person's authorized representative in writing of the request's eligibility and acceptance for external review within one business day.

- The Division randomly assigns an Independent Review Organization (IRO) without a conflict of interest.
- The Division notifies the health carrier and covered person, in writing, which IRO is chosen within one business day.
- The health carrier must provide any documents and information considered in making the adverse determination to the IRO.
- If information is not provided within five business days the IRO may terminate the external review and make a decision to reverse the adverse determination. (See [ARSD 20:06:53:17](#)).
- The covered person may also submit additional information for review to the IRO.
- IRO must forward any information provided by the covered person to the health carrier within one business day. (See [ARSD 20:06:53:18](#)).

Health Carrier May Reconsider to Reverse the Adverse or Final Determination

[ARSD 20:06:53:19](#)

- The health carrier must notify the IRO, covered person and the Division in writing.
- The external review is terminated upon receipt of notification.

IRO Decision

[ARSD 20:06:53:21](#)

IRO must provide written notice to the health carrier, covered person and the Division to uphold or reverse the adverse determination within 45 days. Notice shall include:

- A general description of the reason for the request for external review;
- The date the independent review organization received the assignment from the Director to conduct the external review;
- The date the external review was conducted;
- The date of its decision;
- The principal reason or reasons for its decision, including what applicable evidence based standards were a basis for its decision, if any;
- The rationale for its decision; and
- References to the evidence or documentation, including the evidence-based standards, considered in reaching its decision.

The coverage that was subject shall be immediately approved by the health carrier if the IRO reverses the initial adverse determination.

External Review Funding

[ARSD 20:06:53:66](#)

- The Division sends a refund of the \$25 filing fee to the covered person if the decision was reversed.
- The Division sends the \$25 filing fee to the health carrier if the decision was upheld.

The Division closes the file and sends correspondence to covered person and/or authorized representative.