



Bureau of Human Resources
500 E. Capitol Ave.
Pierre, S.D. 57501

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CONTACT: Laurie Gill at 605-773-4479

State Employee Health Plan Will Maintain Open Network

PIERRE, S.D. – The South Dakota State Employee Health Plan has agreed to terms with Sanford Health to maintain in-network access for its members to all current physicians and services. The state employee health plan is a self-insured plan, meaning it pays its own claims and can contract directly with health systems.

Sanford's announcement that it would withdraw from the DAKOTACARE network as of Jan. 1, 2017, required separate negotiations to ensure that the state's 26,000 health plan members would continue to enjoy in-network access after that date. A three-year contract has been signed.

"Our goal has been to maintain network access and high quality services, while remaining fiscally responsible," said Laurie Gill, commissioner of the Bureau of Human Resources, which operates the state health plan. "A significant increase in health care expenses was not an option. I am pleased we were able to agree to fiscally responsible terms that provide seamless service for our members."

DAKOTACARE remains the state health plan's third-party administrator, which processes claims and assists with customer service for members.

For members of the state health plan, there will be no noticeable change. Current health plan ID cards will remain valid. All current facilities and physicians, including Avera, Rapid City Regional, Sanford, and many other providers around the state, will continue to provide services at the in-network rate for state health plan members.