DEPARTMENT OF SOCIAL SERVICES

DIVISION OF MEDICAL SERVICES 700 GOVERNORS DRIVE PIERRE, SD 57501-2291

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DSS Strong Families - South Dakota's Foundation and Our Future

May 21, 2018

RE: South Dakota Medicaid 1115 Demonstration Waiver

The South Dakota Department of Social Services intends to submit an 1115 demonstration (demonstration) application to the Center for Medicare & Medicaid Services (CMS) to implement the Career Connector program. The Career Connector program goals and objectives are to empower participants to be successful in today's workforce and improve participants' health and encourage the development of healthy habits.

The demonstration is a pilot project. It will operate in Minnehaha and Pennington Counties. These counties were selected due to employment opportunities and the availability of employment and training resources. The program is limited to adult recipients age 19 to 59 enrolled in the parents and other caretaker relatives eligibility group and exempts the following individuals from participation:

- Individuals who work 80 hours or more a month;
- Individuals age 18 or younger;
- Individuals age 60 or older;
- Full-time students:
- Pregnant women;
- Individuals whose eligibility has been determined on the basis of disability or who have been determined disabled by the Social Security Administration;
- Medically frail individuals (e.g. individuals unable to work due to cancer or other serious or terminal illness);
- Individuals already participating in a workforce participation program that the State has determined meets the objectives of the Career Connector program (e.g. SNAP, TANF or unemployment insurance);
- Parents of dependent children under one year old living in the parent's residence; and
- Primary caregivers of elderly or disabled individuals living in the caretaker's residence.

Participation in the program will be determined at the time of initial application or during the renewal review for individuals currently enrolled in South Dakota Medicaid. Exempt individuals may elect to participate in the program on a voluntary basis.

Participants in the program will have an individualized training plan. The individualized plan will help individuals develop skills and abilities to assist the individual in obtaining employment in his or her desired field. The plan will include monthly milestones or goals, such as job or skill training. Individuals must complete milestones each month or work 80 hours or more a month.

The program also intends to improve participants' health. The program will promote preventative care and help increase identification and treatment of behavioral health conditions and chronic conditions.

Participants will be assisted by a DSS case manager who will help ensure participants are successful. In addition, participants will be referred to appropriate support services to address barriers to employment. Support services may include, but are not limited to, transportation, rent assistance, and child care assistance. Support services are not funded by Medicaid expenditures.

Some participants earned income may increase and exceed the Medicaid upper income limit. At the conclusion of their Medicaid coverage these individuals may be eligible for premium assistance to help pay for employer-sponsored health insurance or coverage through a Qualified Health Plan for up to one year.

Individuals who do not accomplish their monthly milestones or work 80 or more hours a month will be provided the opportunity to take corrective action. Continual failure to take corrective action may result in closure of an individual's Medicaid eligibility.

The State will hold a 30 day public comment period on this demonstration proposal from May 21, 2018 through June 19, 2018. The State will also conduct two public hearings at the following times and locations:

May 24, 2018 11:00 AM CT Department of Social Services 811 East 10th Street Sioux Falls, SD 57103-1650

May 31, 2018 1:00 PM MT Department of Labor and Regulation 2330 North Maple Ave, Suite 1 Rapid City, SD 57701 -7898

Individuals requiring assistive technology or other services in order to participate in a meeting should submit a request to Marilyn Kinsman via telephone at 605.773.3165 or via email at Marilyn.Kinsman@state.sd.us at least 48 hours prior to the meeting in order to make accommodations available. Commenters are allowed to appear telephonically at these hearings. To appear telephonically please dial 866.410.8397 and enter conference code 8176972761.

A detailed public notice and a copy of the proposed demonstration application are available on the Department's website at https://dss.sd.gov/medicaid/1115waiver.aspx. Please contact me within 30 days of receipt of this message with any questions or comments.

Sincerely,

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Sarah Aker Deputy Director Division of Medical Services South Dakota Department of Social Services

CC: Lynne A. Valenti, Cabinet Secretary
Brenda Tidball-Zeltinger, Deputy Secretary
William Snyder, Director, Division of Medical Services
Carrie Johnson, Director, Division of Economic Assistance

Medicaid 1115 Demonstration Waiver

Brief Description: The Career Connector program focuses on helping individuals obtain meaningful work and improve their health. The demonstration is a pilot and will only operate in Minnehaha and Pennington Counties.

Estimate of Fiscal Impact, if Any: FFY18: \$0.00

FFY19: \$0.00

Reason for the Demonstration: To empower participants to be successful in today's workforce as well as improve participant's health and encourage the development of healthy habits.