



Provider Rate Increases

Tribal Consultation 4.25.2023





IHS and Tribal 638 Providers

Most services are reimbursed at an all-inclusive encounter rate including:

- Inpatient and Outpatient Hospital Services
- Physician Services
- Therapy Services
- Podiatry Services
- Behavioral Health Services
- Vision Services
- Pharmacy

IHS and Tribal 638 Providers

Encounter rate is set by the federal government.

- Effective January 1, 2023 the rates increased.
- Clinic/Outpatient rate increased from \$640 to \$654.
- Inpatient hospital rate increased from \$4,239 to \$4,333.

IHS and Tribal 638 Providers

The 2023 IHS rates were updated in Medicaid's claim processing system on March 22, 2023.

- South Dakota Medicaid reprocessed all IHS claims with a date of service of January 1, 2023 or later that paid prior to the March 22, 2023 payroll.
- Clinic claims and inpatient claims were reprocessed with no know issues.
- Medicaid attempted to reprocess the outpatient claims.
 - Outpatient claims cannot be forced to pay at an amount higher than the billed amount. In many cases the reprocessed claim did not pay at a higher amount.
 - For those claims Medicaid recommends you either void and then resubmit as new or adjust the new paid claim reference numbers with the correct updated 2023 rates.

July 1, 2023 Inflationary Increase

Most providers rates are receiving a 5 percent inflationary increase as appropriated during the 2023 legislative session.

- This includes IHS/tribal 638 services that are reimbursed on a fee-for-service basis such as transportation providers.
- Select services are receiving a targeted rate increase:
 - Dental services
 - Community based providers including in-home nursing services
 - Applied Behavior Analysis (ABA) services administered by a technician



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Thank You

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