



**DEPARTMENT OF SOCIAL SERVICES**

DIVISION OF MEDICAL

SERVICES

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June 30, 2023

**Attention: Providers and Billing Professionals**

**From: South Dakota Medicaid**

**RE: July 1, 2023 Fee Schedules**

South Dakota Medicaid is implementing inflationary rate increases effective July 1, 2023 for services provided in FY 2024. Updated fee schedules are available online at <https://dss.sd.gov/medicaid/providers/feeschedules/>. Fee schedules list the maximum allowable reimbursement amount; per ARSD 67:16:01:09 payment for services is limited to the lesser of the provider's usual and customary charge or the fee schedule amount. South Dakota Medicaid providers should continue to submit claims and bill South Dakota Medicaid as they did prior to July 1, 2023.

The following services are receiving a 5.0 percent inflationary increase:

- Instate DRG Inpatient Hospital Services, Instate DRG Exempt Inpatient Hospitals/Hospital Units, and Instate APC Outpatient Hospital Services
- Ambulatory Surgical Center Services
- Physician Services
- Supplies, Orthotics and Prosthetics
- Durable Medical Equipment (Not including items subject to Section 1903(i)(27)) of the Social Security Act)
- Optometric Services
- Chiropractic Services
- Occupational, Speech, and Physical Therapy
- Nutritionists and Dietician Services
- Eyeglasses
- Diabetes Self-Management Training
- Nurse Midwife Services
- Community Transportation
- Secure Medical Transportation
- Air and Ground Ambulance Transportation
- Home Health Agencies
- Independent Mental Health Practitioners Services
- Nutrition Items
- Personal Care Services
- Physician Administered Drugs with no Medicare rate
- Community Health Worker Services
- Child Private Duty Nursing Services not subject to a targeted increase

- Disproportionate Share Hospital Payment Pools
- Graduate Medical Education Payment Pools

The following services are receiving a targeted rate increase or are being rebased:

Service	Type	Method
Private Duty Nursing Services	Targeted Increase	<ul style="list-style-type: none"> <li>• Code S9123 - \$85.68</li> <li>• Code S9124 - \$71.28</li> </ul>
Home Health Services	Targeted Increase	<ul style="list-style-type: none"> <li>• Code G0299 - \$21.42</li> <li>• Code G0300 - \$17.82</li> </ul>
Applied Behavior Analysis Services	Targeted Increase	<ul style="list-style-type: none"> <li>• Code 97152 - \$20.36</li> <li>• Code 97153 - \$20.36</li> <li>• Code 97154 - \$5.09</li> </ul>
DRG Exempt Neonatal Intensive Care Units, Pediatric Medically Complex Rehabilitation, and Pediatric Rehabilitation Transition Unit	Rebase	<ul style="list-style-type: none"> <li>• Per diems rebased based on cost.</li> </ul>
Dental Services including Orthodontic Services and Dentures	Rebased	<ul style="list-style-type: none"> <li>• Procedure codes with 50 or more claims in CY 2022 are being rebased to 70 percent of the average billed charges.</li> <li>• Procedure codes with less than 50 claims in CY 2022 are rebased to 70 percent based on market data.</li> </ul>
Freestanding Birth Centers	Rebased	<ul style="list-style-type: none"> <li>• Rebased to 75 percent of the 2022 state fiscal year's average DRG payment for delivery and newborn care.</li> </ul>

Additionally, standalone visits for vaccines/immunizations and the associated administration code will be reimbursed at the PPS encounter rate for Federal Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs). Please refer to the [FQHC and RHC Services](#) provider manual for additional information.

If you have any questions, please contact the Division of Medical Services at 1-800-452-7691.

Sincerely,

South Dakota Medicaid