

DEPARTMENT OF SOCIAL SERVICES
DIVISION OF MEDICAL SERVICES
700 GOVERNORS DRIVE
PIERRE, SD 57501-2291
PHONE: 605-773-3495
FAX: 605-773-5246
WEB: dss.sd.gov



February 5, 2018

Richard Allen
Associate Regional Administrator
Centers for Medicare and Medicaid Services
1961 Stout Street, Room 08-148
Denver, CO 80294

Re: South Dakota Medicaid State Plan Amendment SD-18-001

Dear Mr. Allen:

Please find enclosed South Dakota's Medicaid State Plan Amendment (SPA) SD-18-001. The SPA clarifies the effective dates of the department's fee schedules including in home services which were subject to a 0.3 percent inflationary increase effective July 1, 2017. The inflationary increase was appropriated by the state legislature during the 2017 legislative session. The SPA also clarifies reimbursement methodology for transportation and personal care services and updates terminology regarding religious non-medical home health care institutions.

In addition, the SPA also revises the reimbursement methodology for end stage renal disease clinics by establishing a rate of \$470 for CPT code 90999. This change is being made to comply with the federal upper payment limit. This change results in a net reduction in reimbursement for end stage renal disease clinics; however, individual clinics may see an increase in payment as a result of the change. South Dakota Medicaid outreached end stage renal clinics by phone prior to the public notice period to inform them of the change and the SPA. South Dakota Medicaid does not anticipate diminished access to care and would not invoke the requirements of 42 CFR §447.203(b)(6) per the guidance issued in State Medicaid Director's Letter #17-004.

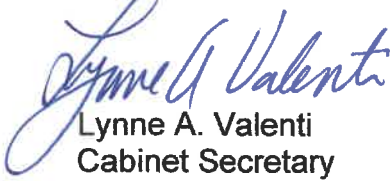
The SPA adds Introduction, page 1 to Attachment 4.19-B and revises page 38 of Attachment 4.19-B of the South Dakota Medicaid State Plan.

South Dakota requests an effective date of February 1, 2018. The Department estimates the federal fiscal impact will be -\$293,031.48 in Federal Fiscal Year 2018 and -\$459,740.21 in Federal Fiscal Year 2019.

The State conducted Tribal Consultation beginning with notification on January 2, 2018. We have attached a copy of the notification sent to the Tribes. Public notice was published in the South Dakota REGISTER, <http://sdlegislature.gov/docs/rules/Register/01022018.pdf>, on January 2, 2018. We received no comments.

If you have any questions regarding this package, please contact Sarah Aker, Deputy Director of the Division of Medical Services, 700 Governors Drive, Pierre, SD 57501-2291, e-mail sarah.aker@state.sd.us, or telephone (605) 773-3495.

Sincerely,



Lynne A. Valenti
Cabinet Secretary

CC: Brenda Tidball-Zeltinger, Deputy Secretary
William Snyder, Director
Sarah Aker, Deputy Director

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER:
SD-18-001

2. STATE:
South Dakota

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
February 1, 2018

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 447.201, 42 CFR 440.170, 42 CFR 447.321, and 42 CFR 440.167

7. FEDERAL BUDGET IMPACT:

a. FFY 2018: -\$293,031.48
b. FFY 2019: -\$459,740.21

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Introduction, page 1 of Attachment 4.19-B and page 38 of Attachment 4.19-B

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

Page 38 of Attachment 4.19-B

10. SUBJECT OF AMENDMENT:

The amendment clarifies fee schedule effective dates, clarifies transportation and personal care services reimbursement methodology, and revises endstage renal disease clinics reimbursement methodology. The amendment also updates terminology.

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

Lynne A. Valenti

14. TITLE:

Cabinet Secretary

15. DATE SUBMITTED:

February 5, 2018

16. RETURN TO:

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

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED:

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

22. TITLE:

23. REMARKS:

REGISTER



South Dakota Legislative Research Council

Volume 44

Tuesday, 8:00 a.m., January 2, 2018

FILINGS IN THE LEGISLATIVE RESEARCH COUNCIL'S OFFICE:

NOTICE:

The **Department of Social Services** intends to make changes to the South Dakota Medicaid State Plan regarding the department's fee schedules. The proposed State Plan Amendment (SPA) clarifies the effective dates of the department's fee schedules including in home services which were subject to a 0.3 percent inflationary increase effective July 1, 2017. The inflationary increase was appropriated by the state legislature during the 2017 legislative session. The SPA also clarifies reimbursement methodology for transportation and personal care services, and updates terminology regarding religious non-medical home health care institutions. In addition, the SPA also revises the reimbursement methodology for endstage renal disease clinics by establishing a rate of \$470 for CPT code 90999. This change is being made to comply with the federal upper payment limit. The SPA adds Introduction, page 1 to Attachment 4.19-B and revises page 38 of Attachment 4.19-B of the South Dakota Medicaid State Plan. The Department intends to make this SPA effective February 1, 2018. The estimated federal fiscal impact will be -\$293,031.48 in Federal Fiscal Year 2018 and -\$459,740.21 in Federal Fiscal Year 2019. The SPA is available to view on the department's website at <http://dss.sd.gov/medicaid/medicaidstateplan.aspx>. Copies of the proposed SPA pages are also available at the Department of Social Services, Division of Medical Services. Written requests for a copy of these changes, and corresponding comments, may be sent to:

Division of Medical Services, Department of Social Services, 700 Governors Drive, Pierre, SD 57501-2291.

FILINGS IN THE SECRETARY OF STATE'S OFFICE:

Executive Order:

The Governor has signed **Executive Order 2017-11**, dated December 27, 2017. In February 2001, an Act to authorize South Dakota to participate in the Revised Interstate Compact for Adult Offender Supervision was passed by the South Dakota Legislature and signed by the Governor. All states and territories have enacted the compact into law. The Act applies to parolees who are governed through Executive Branch functions and probationers who are governed through Judicial Branch functions; the two branches share the duties and tasks associated with the interstate transfer of such offenders. The Act requires each member state to create a State Council for Interstate Adult Offender Supervision with the responsibility of appointing the Compact Administrator as the State Commissioner to the Interstate Commission for Adult Offender Supervision. In South Dakota, the Executive Director of the Board of Pardons and Paroles serves as the compact administrator for adult parolees and the Director of Court Services serves as the compact administrator for adult probationers. This executive order directs that the South Dakota State Council for Interstate Adult Offender Supervision be continued with the Executive Director of the Board of Pardons and Paroles for the state of South Dakota serving as South Dakota's Compact Administrator and as a

Ballard, Matthew

From: Ballard, Matthew
Sent: Tuesday, January 02, 2018 9:41 AM
To: 'Adele White'; 'Amanda Taylor'; 'Amy Muchna'; 'Anthony Reider'; 'April Herrick'; 'Arlene Krulish'; 'Audrey German'; 'Becky Diehm'; 'Beth Lee'; 'Bonnie Cromwell'; 'Brandon Sazue'; 'Brittany Brewer'; 'CAPT Christopher W. Allen'; 'Carmen Thompson'; 'Carol Diaz'; 'CDR Emily Williams'; 'CeCe BigCrow'; 'Christine Olson'; 'Christy Hacker'; 'Clarence, Montgomery'; 'Cody Wolff'; 'Cole Hunter'; 'Corey Smith'; 'Crystal Owen'; 'Dave Archambault II'; 'David Flute'; 'David Walford'; 'DaVonna Keeble'; 'Dayle Knutson'; 'DeAnna Howe-Swan'; 'Deb Odens'; 'Debee Eagle Elk'; 'Dee LeBeau-Hein'; 'Delaine Rasmussen'; 'Delores Pourier'; 'Devero Yellow Earing'; 'Don Lee'; 'Dr. Bill Carr'; 'Dylan Fills Pipe'; 'Ed Parsells'; 'Eddie Johnson Jr.'; 'Edwin Harris'; 'Elaine Clement'; 'Elaine Keepseagle'; 'Ella "John" Carlow'; 'Ellen Durkin'; 'Emery, Steve'; 'Eugene Giago'; 'Evelyn "Evie" Espinoza'; 'Gerri LeBeau'; 'Gina Johnson'; 'Gypsy Wanna'; 'Harold Frazier'; 'Holly Rice'; 'Jade Trottier'; 'James Begeman'; 'Jana Gipp'; 'Jean Richards-Tulloss'; 'Jennie Crawford'; 'Jennifer Giroux'; 'Jennifer Williams'; 'Jenny Jeffries'; 'Jeremy Burtenshaw'; 'Jeri Starr'; 'Jerilyn Church'; 'Jerome Lee Bearheels'; 'Jessica Morson'; 'Johanna Camacho'; 'John Eagle Shield'; 'John Yellow Bird Steele'; 'Jon Schuchardt'; 'Jonni Arpan'; 'Julie Thorstenson'; 'Justin Taylor'; 'Kagey, Hannah'; 'Karla Kirkpatrick'; 'Kathlene Thurman'; 'Kathy Bad Moccasin'; 'Kathy Gordon'; 'Kendra Christensen'; 'Kendra Roland'; 'Kevin Meeks'; 'Kevin Stiffarm'; 'Kim Clown'; 'Kristine Watts'; 'Kym Swimmer'; 'Leah Fyten'; 'Leatrice Wilson'; 'Lee Lawrence'; 'LeLewis Gipp'; 'Lezley "Lez" Kempf'; 'Linda Littlefield'; 'Lisa Schlosser'; 'Liz Anderson'; 'Lori Braaten'; 'Lynn Big Eagle'; 'Marc Beaudreau'; 'Margaret Gates'; 'Margaret Gunville'; 'Marieta Little Thunder'; 'Marilyn Prairie Chicken'; 'Mark Aguilar'; 'Mark Calkins'; 'Mark LeBrun'; 'Mary Ann McCLOWEN'; 'Mary Bickel'; 'Matthew Frye'; 'Matthew Sieler'; 'Melissa Huff'; 'Michelle Patton'; 'Michelle Red Willow'; 'Mika Tibbs'; 'Mike Boland'; 'Monta Little Solider'; 'Myrna Thompson'; 'Neil Austin'; 'Nichole Cottier'; 'Nick Thomas'; 'Nicole White Wolf'; 'Olivia Grass'; 'Olson, Alissa'; 'Opal Jones'; 'Patty Eagle Bull'; 'Paula Brown'; 'Paulette High Elk'; 'PJ Beaudry'; 'Randal White'; 'Randi Peacock'; 'Randolph Runs After'; 'Reiss, David'; 'Ricahrd Mousseau'; 'Richard Bud'; 'Richard Huff'; 'Rick Sorensen'; 'Robert Flying Hawk'; 'Robert Taken Alive'; 'Roberta Jacobson'; 'Rochelle Rogers'; 'Ron Cornelius'; 'Roxanne Sazue'; 'Roxee Johnson'; 'Sara DeCoteau'; 'Sean Jackson'; 'Shawn Carging'; 'Shirley Crane'; 'Sierra Wolcott'; 'Sonia Little Hawk-Weston'; 'Stacey Red Willow'; 'Staci Hunter'; 'Steven Kaleda'; 'Sue Mallon'; 'Sunny Colombe'; 'Susan Porter'; 'Tara Fox'; 'Teresa Stites'; 'Terra Haug'; 'Terri Rattler'; 'Tina Russell'; 'Tinka Duran'; 'Tinnekkia Williams'; 'Todd Warren'; 'Toni Slockish'; 'Tony Stayner'; 'Tricia Birdnecklace'; 'Tricia Knight'; 'Trina Fischer'; 'Tyler Lannoye'; 'Valentina LaFountain'; 'Vicky Barnes'; 'Warren Giago'; 'Whitney Nordvold'; 'William "Willie" Kindle Valenti, Lynne; Tidball-Zeltinger, Brenda; Snyder, William; Aker, Sarah
Subject: SPA SD 18-001 Tribal Consultation
Attachments: SD 18-001 SPA Package.PDF

Good Morning,

Please find attached a Department of Social Services' proposed Medicaid State Plan Amendment ("SPA"). The proposed SPA clarifies the effective dates of the department's fee schedules including in home services, which were subject to a 0.3 percent inflationary increase effective July 1, 2017. The inflationary increase was appropriated by the state legislature during the 2017 legislative session. The SPA also clarifies reimbursement methodology for transportation and personal care services and updates terminology regarding religious non-medical home health care institutions. In addition, the SPA also revises the reimbursement methodology for endstage renal disease clinics by establishing a rate

of \$470 for CPT code 90999. This change is being made to comply with the federal upper payment limit. The SPA adds Introduction, page 1 to Attachment 4.19-B and revises page 38 of Attachment 4.19-B of the South Dakota Medicaid State Plan. We propose to make this SPA effective February 1, 2018.

Please contact me within 30 days of receipt of this message with any questions or comments.

Sincerely,

Matthew Ballard | Program Specialist II
South Dakota Department of Social Services
Division of Medical Services
(605) 773-3495



This message is being sent by or on behalf of the South Dakota Department of Social Services. It is intended exclusively for the individual or entity to which it is addressed. This communication may contain information that is proprietary, attorney-client privileged, confidential, or otherwise legally exempt from disclosure. If you are not the named addressee, you are not authorized to read, print, retain, copy, or disseminate this message or any part of it. If you have received this message in error, please notify the sender immediately by telephone at (605) 773-3495 or by reply transmission by e-mail, and delete all copies of the message.

The Department of Social Services does not exclude, deny benefits to, or otherwise discriminate against any person on the basis of actual or perceived race, color, religion, national origin, sex, age, gender identity, sexual orientation or disability in admission or access to, or treatment or employment in its programs, activities, or services. For more information about this policy or to file a Discrimination Complaint you may contact: Discrimination Coordinator, Director of DSS Division of Legal Services, 700 Governor's Drive, Pierre SD 57501, 605-773-3305.

DEPARTMENT OF SOCIAL SERVICES

DIVISION OF MEDICAL SERVICES

700 GOVERNORS DRIVE

PIERRE, SD 57501-2291

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Strong Families - South Dakota's Foundation and Our Future

January 2, 2018

RE: South Dakota Medicaid State Plan Amendment #SD-18-001

The South Dakota Department of Social Services intends to make changes to the South Dakota Medicaid State Plan regarding the department's fee schedules. The proposed State Plan Amendment (SPA) clarifies the effective dates of the department's fee schedules including in home services, which were subject to a 0.3 percent inflationary increase effective July 1, 2017. The inflationary increase was appropriated by the state legislature during the 2017 legislative session. The SPA also clarifies reimbursement methodology for transportation and personal care services and updates terminology regarding religious non-medical home health care institutions. In addition, the SPA also revises the reimbursement methodology for endstage renal disease clinics by establishing a rate of \$470 for CPT code 90999. This change is being made to comply with the federal upper payment limit. The SPA adds Introduction, page 1 to Attachment 4.19-B and revises page 38 of Attachment 4.19-B of the South Dakota Medicaid State Plan.

We intend to make this SPA effective February 1, 2018. The Department estimates the federal fiscal impact will be -\$293,031.48 in Federal Fiscal Year 2018 and -\$459,740.21 in Federal Fiscal Year 2019.

Please contact me within 30 days of receipt of this message with any questions or comments.

Sincerely,

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

Medicaid State Plan Amendment Proposal

Transmittal Number: SD-18-001

Effective Date: 2/1/2018

Brief Description: This State Plan Amendment clarifies the effective dates of the department's fee schedules and clarifies in home services, transportation, personal care services, and endstage renal disease clinics reimbursement methodology.

Area of State Plan Affected: Attachment 4.19-B

Page(s) of State Plan Affected: Adds Introduction, page 1 and revises page 38

Estimate of Fiscal Impact, if Any: FFY18: -\$293,031.48
FFY19: -\$459,740.21

Reason for Amendment: To update fee schedule effective dates and clarify reimbursement methodologies.

ATTACHMENT 4.19-B
INTRODUCTION

Payment rates for the services listed below are effective for services provided on or after the corresponding date. Fee schedules are published on the Department's website at <http://dss.sd.gov/medicaid/providers/feeschedules/>. Effective dates listed on the introductory page supersede the effective dates listed elsewhere in Attachment 4.19-B. Unless otherwise noted in the referenced state plan pages, reimbursement rates are the same for both governmental and private providers.

Service	Attachment	Effective Date
Early and Periodic Screening, Diagnosis, and Treatment (EPSDT)	Attachment 4.19-B, Page 4	July 1, 2017
Physician Services	Attachment 4.19-B, Page 6	July 1, 2017
Optometrist Services	Attachment 4.19-B, Page 9	July 1, 2017
Chiropractic Services	Attachment 4.19-B, Page 10	July 1, 2017
Home Health Services	Attachment 4.19-B, Page 12	July 1, 2017
Durable Medical Equipment	Attachment 4.19-B, Page 13	July 1, 2017
Clinic Services	Attachment 4.19-B, Page 15	February 1, 2018
Dental Services	Attachment 4.19-B, Page 16	July 1, 2017
Physical Therapy	Attachment 4.19-B, Page 17	July 1, 2017
Occupational Therapy	Attachment 4.19-B, Page 18	July 1, 2017
Speech, Hearing, or Language Disorder Services	Attachment 4.19-B, Page 19	July 1, 2017
Dentures	Attachment 4.19-B, Page 21	July 1, 2017
Prosthetic Devices	Attachment 4.19-B, Page 22	July 1, 2017
Eyeglasses	Attachment 4.19-B, Page 23	July 1, 2017
Diabetes Self-Management Training	Attachment 4.19-B, Page 26	July 1, 2017
Nurse Midwife Services	Attachment 4.19-B, Page 31	July 1, 2017
Case Management Services	Attachment 4.19-B, Page 33	July 1, 2017
Transportation	Attachment 4.19-B, Page 38	July 1, 2017
Personal Care Services	Attachment 4.19-B, Page 38	July 1, 2017
Freestanding Birth Centers	Attachment 4.19-B, Page 39	July 1, 2017
Professional Services Provided in a Freestanding Birth Center	Attachment 4.19-B, Page 39	July 1, 2017

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

24. Any Other Medical Care and Other Type of Remedial Care Recognized Under State Law, Specified by the Secretary

a. Transportation.

Payment for transportation services is based on the following criteria:

1. Air ambulance—Payment for services will be the lower of the provider's usual and customary charge or the amount established on the State agency's fee schedule published on the agency's website <http://dss.sd.gov/medicaid/providers/feeschedules/>.
2. Ground ambulance and wheelchair transportation services—Payment for services will be the lower of the provider's usual and customary charge or the amount established on the State agency's fee schedule published on the agency's website <http://dss.sd.gov/medicaid/providers/feeschedules/>.
3. Other transportation—Cost of ticket or fare for a commercial carrier or mileage, meals, and lodging allowances for individuals.

b. Services provided in religious non-medical home health care institutions.

Not provided.

c. Nursing facility services for patients under 21 years of age.

See Attachment 4.19-D.

d. Emergency hospital services.

See Outpatient Hospital Services or Attachment 4.19-A.

e. Personal care services.

Payment for services will be the lower of the provider's usual and customary charge or the amount established on the State agency's fee schedule published on the agency's website <http://dss.sd.gov/medicaid/providers/feeschedules/>.