DEPARTMENT OF SOCIAL SERVICES
DIVISION OF ADULT SERVICES AND AGING
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Add-On Payment Information Requirements for Individuals Requiring Specialized Skin or Wound Care

When Medicaid is the primary payor for a resident of a South Dakota nursing home, the facility may request an additional add-on payment above and beyond the normal nursing facility reimbursement for those individuals needing extraordinary care which is not addressed in the normal reimbursement methodology. Medicaid reimbursement for services provided to a recipient residing in state shall be the per diem rate plus a negotiated rate to cover additional extraordinary treatment.

The Department will negotiate with providers on a case-by-case basis to determine the negotiated rate for recipients requiring extraordinary care. Providers are responsible for notifying the Department of significant changes in an individual's condition. A new rate may be negotiated when this change occurs.

The add-on payment will be negotiated on an individual basis between the Department of Social Services and the provider. The negotiated rate shall be an all-inclusive reimbursement rate for all services and supplies furnished by the facility in the care and treatment of the recipient, except as otherwise agreed by the Department. The negotiated rate may not exceed the actual cost of the services provided to the recipient.

Extraordinary care includes caring for individuals requiring skin or wound treatment as defined below:

- Individual must meet the criteria for South Dakota Medicaid;
- Individual must meet the criteria for nursing facility level of care;
- Individual has a skin/wound issue demonstrating abnormal or delayed healing process; and
- There must be a signed physician's order for treatment.

Individuals receiving specialized rehabilitation services are excluded from the add-on payment rate.

For consideration of the add-on payment, the following information must be submitted to the Department of Social Services' Division of Adult Services and Aging (ASA). Please contact Andi LaVoy RN, ASA Nurse Consultant Program Manager by phone at 605-773-3656 or email aundrea.lavoy@state.sd.us if you have any questions about this process.

(OVER)

Add-On Payment Information Requirements for Individuals Requiring Specialized Skin or Wound Care

1. Name of Resident: _____
2. Resident's South Dakota Medicaid Number: _____
3. Provider's South Dakota Medicaid Number:_____
4. Provider Contact Name & Phone # for Clinical Information:_____
5. Information to submit includes:
   - Recent history and physical.
   - Recent physician progress notes.
   - Copy of Nurse's notes and wound data (measurements, description) prior to start of prescribed treatment.
   - Signed physician's order for the prescribed treatment including equipment and ordered settings, frequency of dressing changes, dressings to be used.
   - Physician or Nurse's note to indicate start date of treatment.
   - Care plan demonstrating additional measure to promote healing (i.e. nutritional measures or scheduled turning and repositioning).
   - Invoices for equipment and supplies being used.
   - At a minimum, wounds need to be measured weekly. A copy of the wound assessments must be sent to the Department of Social Services on a monthly basis. All wound measurements need to include the length, width and depth of each wound.
   - Copy of pertinent lab or x-ray reports.

The above information must be submitted before the initial authorization or reimbursement can occur. Updates must be submitted on a monthly basis thereafter and should include:

- Weekly wound measurements including length, width and depth.
- Documentation of dressing changes if ordered.
- Updated progress notes pertinent to this issue.
- Documentation of date treatment is discontinued.

Once the above information is received, the Department of Social Services will review the medical information to determine if the criteria are met. If the criteria have been met, the Department of Social Services' Office of Provider Reimbursement and Audits will calculate an additional payment rate based on the specific costs of the extraordinary treatment to be provided.

A contract will be required with the facility before authorization of individualized services can be arranged. The contract will be prepared and routed for signature including the agreement to provide specialized services as authorized.

Once approval is determined, the rate has been set and a contract has been signed by both parties, a document will be provided to the facility and to the Department of Social Services' Office of Provider Reimbursement and Audits authorizing additional payment for the specified services, to include a period of authorization and the review date.