

Remittance Advice Message

for
June 22, 2005

Dear South Dakota Medical Assistance Provider:

The following is an important message for Durable Medical Equipment Providers.

Effective July 1, 2005, South Dakota Medical Assistance, Medicaid Program, will no longer allow lease to purchase or rentals for Nebulizers. Nebulizers will be "purchase only", with a limitation of one every five years in accordance with manufacture warranties. (ARSD 67:16:29:05. Rental or purchase at department's discretion...(3) Equipment costing less than \$120 will normally be purchased.)

A letter was sent to all participating durable medical equipment providers notifying them of the policy change within the rule. If you did not receive this letter, please contact Medical Services Telephone Service Unit at the number below and a letter will be sent to you.

The following is an important message for Rural Health Clinics, Federally Qualified Health Centers, and Diabetes Education Programs.

Effective June 8, 2005, recipient cost share policy for rural health clinics and federally qualified health centers, and diabetes education programs is \$3.00. The change in policy will not change the population of eligible individuals required to cost share.

The following is an important message for Pharmacy Providers.

Effective **June 16, 2005**, South Dakota Medical Assistance, Medicaid Program, is implementing a new co-payment policy for Medicaid clients. The co-payment on prescriptions for brand name drugs will increase from **\$2.00 to \$3.00**. There will be **\$0 (zero) co-payment** on prescriptions for generic drugs or covered over-the-counter drugs.

This initiative is designed to encourage the increased use of generic drugs by Medicaid patients. If these patients have questions about the change please explain the situation to them. When possible, please recommend generic substitutions that will offer savings to both the patient and the State of South Dakota.

South Dakota Medical Assistance, Medicaid Program, appreciates your assistance in this matter.

If you have any questions, please call the Telephone Service Unit at 1-800-452-7691
Out-of-state providers may call 605-773-3495 and ask for the Service Unit.

Thank you,
Division of Medical Services