

DEPARTMENT OF SOCIAL SERVICES

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Strong Families - South Dakota's Foundation and Our Future

December 16, 2011

Richard Allen
Associate Regional Administrator
Centers for Medicare and Medicaid Services
1600 Broadway, Suite 700
Denver, CO 80202

Re: South Dakota Medicaid State Plan Amendment TN 11-11

Dear Mr. Allen:

Please find enclosed South Dakota State Plan Amendment (SPA) Transmittal Number (TN) 11-11 providing CMS with clarification, pursuant to requirements of the Patient Protection and Affordable Care Act of 2010, of South Dakota Medicaid coverage for services provided in freestanding birth centers. The SPA adds new pages to our State Plan: Attachment 3.1-A, page 11; Supplement to Attachment 3.1-A, page 44; and Attachment 4.19-B, page 39. The effective date for this SPA is January 1, 2012.

The State's Tribal Consultation on this SPA began earlier this year, and the written part of our process began with notification sent via email and United States Postal Service on November 4, 2011, as well as publication on our website at <http://dss.sd.gov/tribalconsultation/index.asp>. The department received no comments or requests for revision from the Tribes. We published public notice via the South Dakota Legislature's *REGISTER*, on December 12 (<http://legis.state.sd.us/rules/register/12122011.pdf>).

The South Dakota Legislature enacted licensure recognition of freestanding birth centers effective July 1, 2011. To date, there are no freestanding birth centers in South Dakota so we estimate there will be no Federal fiscal effect associated with the SPA any time soon. The following are answers to the traditional five questions asked of payment methodology SPAs:

1. All Medicaid providers in South Dakota retain all of the Medicaid payments, including the Federal and State share;
2. The Legislature appropriates the state share of funding; there are no intergovernmental transfer agreements or certified public expenditures (CPEs) in South Dakota;
3. This SPA proposes no supplemental or enhanced payments for providers;
4. We do not believe upper payment limits apply to the services covered by this SPA; and
5. No governmental provider of these services receives payments that in the aggregate exceed their reasonable costs of providing services.

Finally, nothing in this SPA will create for recipients any barriers to access to care.

If you have any questions regarding this package, please contact Mark Zickrick at the Division of Medical Services, 700 Governors Drive, Pierre, SD 57501-2291, e-mail mark.zickrick@state.sd.us, or telephone (605)773-3495.

Sincerely,

A handwritten signature in cursive script that reads "Kim Malsam-Rysdon".

Kim Malsam-Rysdon
Cabinet Secretary

AMOUNT, DURATION, AND SCOPE OF MEDICAL
AND REMEDIAL CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

26.a. Licensed or otherwise State-approved freestanding birth centers.

Provided: No limitations With limitations*

Not provided.

26.b. Licensed or otherwise State-recognized, covered professionals providing services in the freestanding birth center.

Provided: No limitations With limitations*

Not provided.

*Description provided in Supplement to this Attachment.

TN No. 11-11
Supersedes
TN No. NEW

Approval Date _____

Effective Date 1/01/12

SUPPLEMENT TO ATTACHMENT 3.1-A

26.a. Licensed or otherwise State-approved freestanding birth centers

No limitations.

26.b. Licensed or otherwise State-recognized, covered professionals providing services in the freestanding birth center

Services provided in licensed or otherwise State-approved freestanding birth centers are limited to the following providers:

 X Practitioners furnishing mandatory services described in another benefit category and otherwise covered under the State Plan (e.g., physicians and certified nurse midwives).

 X Other licensed practitioners furnishing prenatal, labor and delivery, or postpartum care in a freestanding birth center within the scope of practice under State law whose services are otherwise covered under 42 CFR 440.60 (e.g., lay midwives, certified professional midwives, and any other type of licensed midwife).

 Other health care professionals licensed or otherwise recognized by the State to provide these birth attendant services (e.g., doulas, lactation consultant, etc.).

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

- 26.a. Licensed or Otherwise State-Approved Freestanding Birth Centers
26.b. Licensed or Otherwise State-Recognized Covered Professionals Providing Services in the Freestanding Birth Center

Payment for covered services in freestanding birth centers is based on a fee schedule developed by the State agency. The agency's rates were set as of January 1, 2012, and are effective for services on or after that date. The agency-developed fee schedule, published at <http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx>, is based upon review of the most recent year's paid claims information for such services, national coding lists, and documentation submitted by providers and associated medical professional organizations. The agency will reimburse all governmental and private providers according to the same fee schedule published on the agency's website. Payments are based upon the appropriate published fee schedule unless a lower amount is billed by the provider or birth center.