



# Wind Down of the Indigent Medication Program



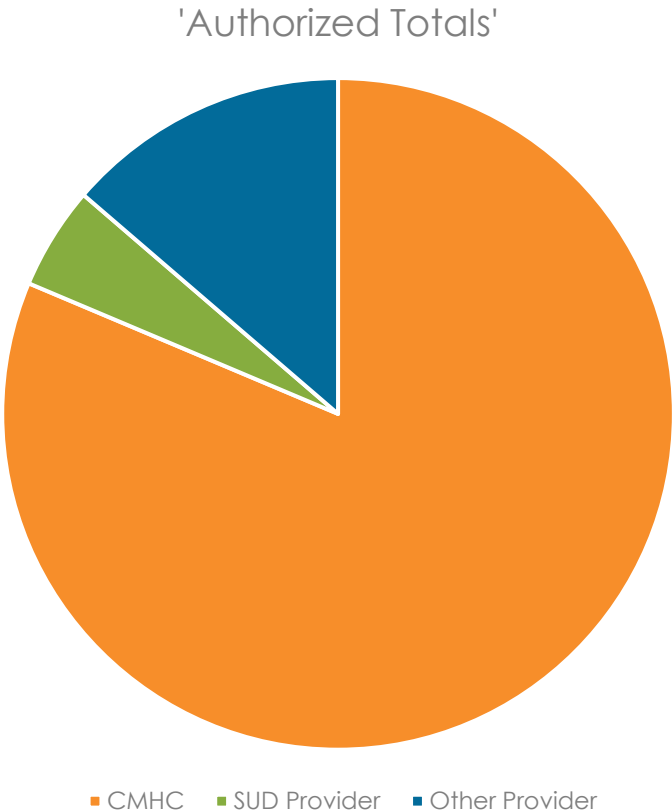
Division of Behavioral Health



# Breakdown of Indigent Medication Program Utilization

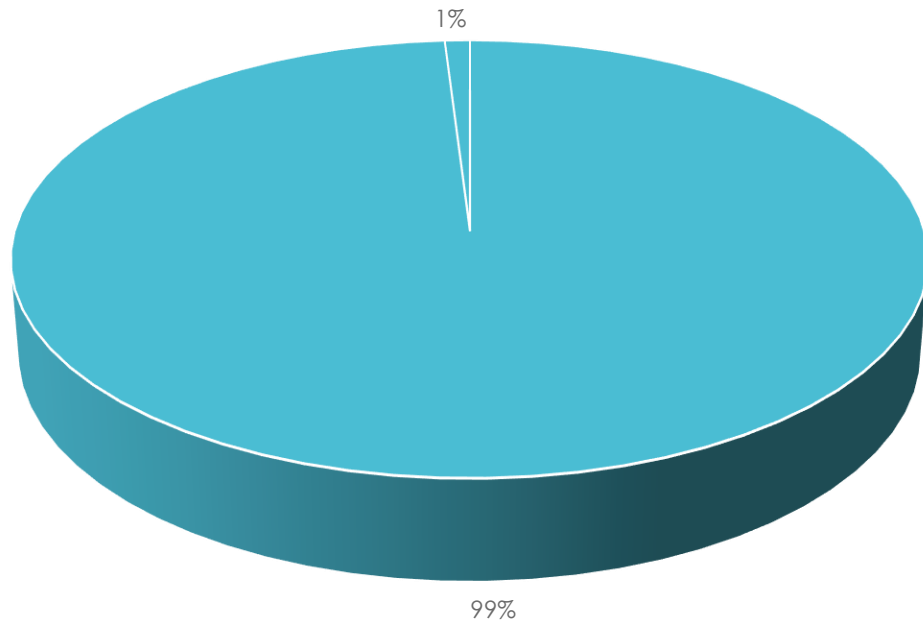
June 1, 2024- December 31, 2024

Provider Type:	% of Total IMP Expenditures
CMHC	87.42%
SUD Provider	5.32%
Other Provider	14.71%



# Cost of Medications vs Labs

## IMP Cost Breakdown



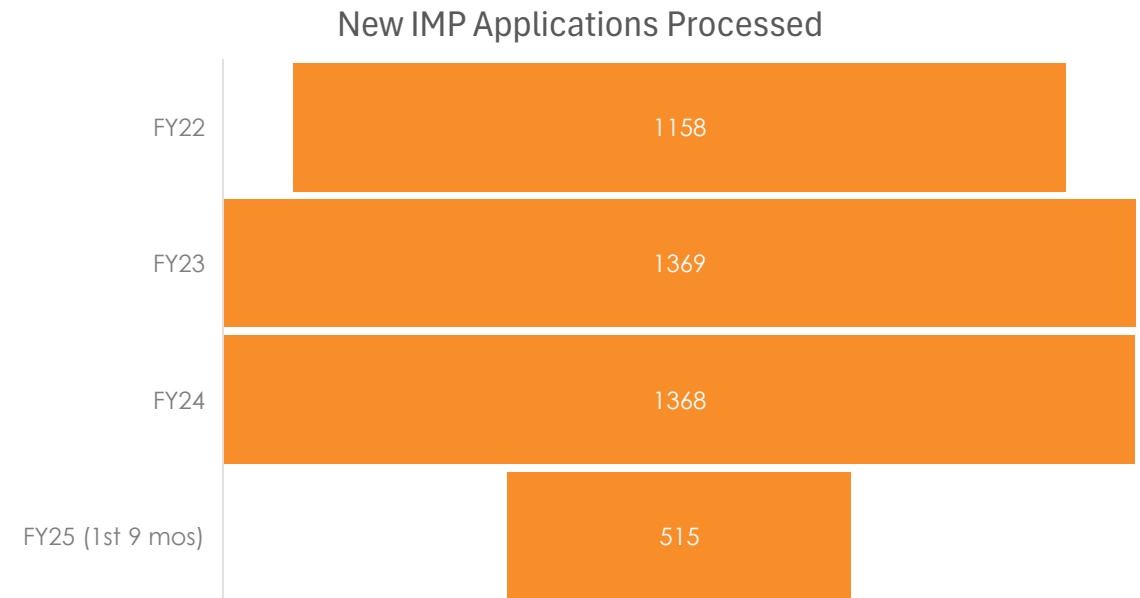
- Payment for medication makes up the majority of IMP expenses
- Labs or “other” makes up just 1%

# Indigent Medication Program FY22-FY25 Expenditures

- There's been a downward trend in the costs of the IMP
- Monthly average expenditures have decreased by 60.5% (comparing July-Feb of FY25 to those same months in FY22-FY24).
- We attribute this decrease to Medicaid Expansion and the push to get more individuals enrolled in Medicaid.



# Positive Impact of Medicaid Expansion on the Indigent Medication Program (IMP)





# Medicaid Expansion

## What is Medicaid Expansion?

Prior to July 1, 2023, individuals at least age 19 but not yet 65 were only eligible for Medicaid coverage if they were blind, disabled, pregnant, or a parent or relative caretaker of a child with very low income.

Medicaid Expansion created a **new** coverage group for South Dakotans effective July 1, 2023!

## Who is eligible?

Individuals could be eligible if they are:

- at least age 19 but not yet 65, and
- not entitled to Medicare, and
- have income up to 138% of the Federal Poverty Limit.

The screenshot shows the South Dakota Department of Social Services website. At the top, the DSS logo is displayed with the text "South Dakota Department of Social Services" and the tagline "Strong Families - South Dakota's Foundation and Our Future". To the right of the logo are social media icons for Facebook, Twitter, YouTube, Instagram, and LinkedIn, along with a "We're Hiring" button and a "Cabinet Secretary Matt Althoff" button. Below the logo is a search bar and a language selection dropdown menu. The main navigation bar includes links for Home, How Do I..., Behavioral Health, Child Care, Child Protection, Child Support, Economic Assistance, Medicaid, and Licensing Boards. The central banner features the "BabyReady" logo, which consists of a large blue "B" with an orange triangle inside, followed by the text "Baby Ready" in a large, bold, blue font. Below the logo is the text "MEDICAID WHOLE PREGNANCY CARE". To the right of the logo, the text reads: "BabyReady is a program covering all checkups, labor, and delivery from the start of pregnancy, with coverage continuing through Medicaid until 12 months after baby is born." Below this text is an orange "Get Started" button. Below the banner, there is a horizontal row of icons: a green speech bubble with "Find your local office", a blue box with "Forms and Publications", a grey box with "News", a teal speech bubble with "Contact us", and a grey box with "Apply Online". Below this row are two large orange chevron arrows pointing upwards.

# Expansion Eligibility

## Eligibility Criteria

The eligibility criteria is defined in federal regulation at **42 CFR § 435.119**.

## Income Limits

Households can have income up to 138% of the FPL.

## Age Limits

Individuals must be at least age 19, but not yet 65.

## Medicare Entitlement

Individuals cannot be entitled to Medicare. Even if the person doesn't currently have Medicare but is able to sign up for it, they are not eligible for expansion.

They may be eligible for other Medicaid coverage groups, including Medicare Savings Programs. MSPs assist individuals who are eligible with their Medicare expenses. Learn more at [dss.sd.gov/Medicaid/generalinfo/medicarerecipients.aspx](https://dss.sd.gov/Medicaid/generalinfo/medicarerecipients.aspx).

## What does 138% FPL look like?

Medicaid Expansion Income Limits	
Household Size	Maximum Gross Monthly Income
1	\$1,800
2	\$2,433
3	\$3,065
4	\$3,698
5	\$4,331
6	\$4,963
7	\$5,595
8	\$6,228

## How is income calculated?

Income is calculated using Modified Adjusted Gross Income (MAGI). MAGI is adjusted gross income (AGI), plus untaxed foreign income, non-taxable SSA benefits, and tax-exempt interest.

# Federal Health Insurance Marketplace

## Denials and Losses of Coverage

If an individual is found ineligible for Medicaid or CHIP, their information is automatically transferred to the Marketplace, who sends a [letter](#) with application directions. They can create or start an account with the Marketplace at [Healthcare.gov](https://www.healthcare.gov) to start or complete an application for Marketplace plans and help with costs.

The Marketplace will send reminder letters 30 to 45 days after their initial letter to those who have not signed up for coverage. They may also be assigned to a local assister, or navigator, who will outreach the individual.

## Marketplace Savings

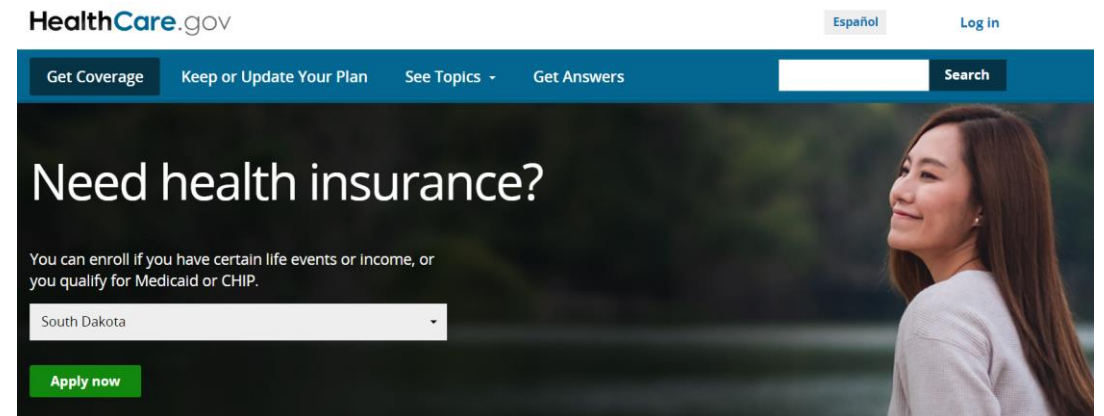
Enhanced premium tax credits extended through 2025 expanded financial assistance through the Marketplace and 4 out of 5 individuals locate health care coverage for \$10 or less after subsidies.

## Special Enrollment Period (SEP)

Individuals who are disenrolled from Medicaid are eligible for an SEP and do not need to wait until Open Enrollment.

## Marketplace Questions

Visit [Healthcare.gov](https://www.healthcare.gov) or contact the Marketplace directly at 800.318.2596 (TTY 855.889.4325).





# Enrollment Assistance

The Marketplace helps individuals find assistance to apply for Marketplace coverage at [localhelp.healthcare.gov](https://localhelp.healthcare.gov). They can receive a list of agents, brokers, and assisters in their area.



South Dakotans can call 211 or go to [helplinecenter.org/2-1-1](https://helplinecenter.org/2-1-1) to reach the South Dakota Navigator Program.

### Find Local Help

Search our online directory and set up a time to talk in-person, over the phone, or by email.

An agent, broker, or assister near you can help you with your application and more.

Enter city & state or ZIP code

Search

Use your current location

The [Great Plains Health Insurance Exchange Navigator Program](https://gptchb.org) assists uninsured American Indians living in Oglala, Rosebud, and Cheyenne River Sioux tribal communities as well as the Rapid City area. Call 866-920-9944 or email [navigator@gptchb.org](mailto:navigator@gptchb.org) to schedule an appointment.



The Community HealthCare Association of the Dakotas (CHAD) is available to provide enrollment assistance and information on health care basics, Marketplace plans, and more. Visit [GetCoveredSouthDakota.org](https://GetCoveredSouthDakota.org) to make an appointment and access these resources.

# Important Timelines!



- Last Day for IMP Applications to be Approved is Friday May 30, 2025
- Last Day to Fill an IMP Medication is Saturday May 31, 2025.
  - Prescriptions filled after this date will not be reimbursed through the IMP.
- **Final Invoices are Due** from Both Pharmacies and Labs On or Before **Friday June 6, 2025.**



# Thank You

Division of Behavioral Health



605.367.5236



dssinfo@state.sd.gov



dss.sd.gov

