

COUNTY CLAIMS PRICING

OVERVIEW

South Dakota Medicaid assists counties in complying with their obligations, under the County Poor Relief program in [SDCL 28-13-29](#), to pay hospital claims at no more than the amount paid by South Dakota Medicaid. Counties should determine they have an obligation to pay for a hospitalization, according to [SDCL 28-13-32.9](#), prior to seeking assistance from South Dakota Medicaid. This manual provides an overview of how counties can determine the maximum allowed South Dakota Medicaid payment.

PROFESSIONAL SERVICES

South Dakota Medicaid pays for professional services, such as the services of a physician, at the lesser of the provider's usual and customary charge or the established fee on our fee schedule website. Counties should refer to our [fee schedule website](#) for South Dakota Medicaid's established rates. Most professional services will be listed on the Physician Services fee schedule or the Laboratory Services fee schedule. Refer to the other available fee schedules as applicable.

Modifiers

Modifiers appended to a procedure code may be informational or may increase or reduce payment. Please refer to the [Authorized Modifier](#) document for payment affects.

When multiple modifiers are used, all percentages will be calculated in the payment. For example, if CPT code 30115 is billed at \$236.60 with modifier 50 and modifier 80 the following calculation applies: $(\$236.60 \times 150\%) * 20\% =$ a payment amount of \$70.98.

Physician Assistant, Nurse Practitioner, and Clinical Nurse Specialist

Physician assistant, nurse practitioner, and clinical nurse specialists are reimbursed at the same rate as physicians for laboratory services, radiological services, immunizations, and supplies. All other services provided by these practitioners are reimbursed at 90 percent of the physician rate.

Nurse Midwife and Nurse Anesthetist

Services provided by a nurse midwife, or a nurse anesthetist are reimbursed at the same rate as services provided by a physician.

Anesthesia

Anesthesia is reimbursed at the lesser of the provider's usual and customary charge or per South Dakota Medicaid's reimbursement formula. The formula for reimbursement of Anesthesia CPT codes (00100 -01999) is the following: $(\text{Time Units} + \text{Base Units}) \times \text{Conversion Factor}$.

Counties should use the following information to price the claim:

- Time units must be reported on the claim in 15-minute unit increments, not actual minutes.
- Base units are not published by South Dakota Medicaid. Refer to [CMS's website](#) for base units.

- The conversion factor is the established amount associated with the procedure on the physician services fee schedule.

OUTPATIENT HOSPITAL

Most counties pay outpatient hospital claims using the hospital's cost-to-charge ratio. South Dakota Medicaid makes a provider's cost-to-charge ratio available for the counties through the Hospital Information for Counties [website](#). Counties may contact South Dakota Medicaid for a username and password by calling 605-773-3495. South Dakota Medicaid considers a hospital's cost-to-charge ratio an appropriate approximation of the Medicaid payment methodology. Counties should submit outpatient hospital claims to South Dakota Medicaid if the claim is for emergency services or surgical services.

South Dakota Medicaid's goal is to provide counties with price information within 60 days of receipt. In some instances, provider claim errors or other issues may result in longer processing times.

INPATIENT HOSPITAL

South Dakota Medicaid will price inpatient hospital claims for counties. Counties should submit claims to the Division of Medical Services for inpatient hospital pricing.

SUBMISSION OF CLAIMS AND MEDICAL REVIEWS

Please submit county claims and medical reviews of emergency services to:

Department of Social Services
Division of Medical Services
Attn: Denise Young
700 Governors Drive
Pierre, SD 57501

MEDICAL REVIEW OF EMERGENCY SERVICES

Per [SDCL 28-13-37.1](#) a county may review the need for emergency room treatment, an admission, a transfer, a continued stay, or inpatient surgical services. The review must be conducted by or under the supervision of a physician licensed under [SDCL Ch. 36-4](#), and must be consistent with generally accepted medical practice guidelines. A county may request South Dakota Medicaid to provide the needed reviews on the county's behalf.

NON-COVERED SERVICES

Some medical services are not covered by South Dakota Medicaid. Counties can refer to [ARSD 67:16:01:08](#) for a general list of services not covered by South Dakota Medicaid and our [provider manuals](#) for other information regarding noncovered services. South Dakota Medicaid cannot provide pricing information for noncovered services.

QUICK ANSWERS

1. Can South Dakota Medicaid price all county claims?

No. For example, if claims are more than two years old or the service is not covered by South Dakota Medicaid we are unable to price the claim.

2. Can South Dakota Medicaid expedite the pricing of our claims?

South Dakota Medicaid's goal is to price claims within 60 days of receipt; however, South Dakota Medicaid will try to accommodate a county's request for expedited processing if possible.

3. Can South Dakota Medicaid change information on a claim form?

No, it would be inappropriate for the State to alter a provider's claim form. The county should contact the provider if they believe the claim form needs to be changed and request the provider send a new and corrected claim.

4. If a county has not yet determined that it is financially responsible for an individual's hospitalization, will South Dakota Medicaid price the claim?

No, a county should determine that it has an obligation to pay for a hospitalization prior to submitting claims to South Dakota Medicaid.