

2019 Annual Report: Provider Reimbursement Rate Methodology Review

Pursuant to SDCL 28-22

Scheduled Year of Review	Dept	Service	SFY20 Rates	Current Methodology						Results of Analysis						
				SY20 Budget (Total Funds)	Source Data Year	Rate Calculation - most recent data available	Total Cost to Reach 100% Methodology	General Fund Cost to Reach Methodology	Percent of Methodology Currently Paid	Year Analysis Completed	Rate Calculation	Total Cost to Reach Methodology	General Fund Cost to Reach 100% Methodology	Percent of Methodology Currently Paid		
Year 1: SFY2018	DHS	In Home Services (Homemaker / Nursing)	Nursing \$61.04 / hr Homemaker \$28.48 / hr	\$ 26,653,597	2018	Nursing \$71.52 / hr Homemaker \$34.96 / hr	\$ 4,240,103	\$ 1,775,755	83%							
	DSS	In Home Services (Homemaker / Nursing)	Nursing \$61.04 / hr Homemaker \$28.48 / hr LPN \$43.68 / hr	\$ 7,618,150	2018	Nursing \$71.52 / hr Homemaker \$34.96 / hr LPN \$47.20 / hr	\$ 949,433	\$ 551,810	83%							
	DSS	Group Care	\$161.05/ day	\$ 3,880,745	2018	\$194.84 / day	\$ 594,495	\$ 594,495	83%							
	DOC	Group Care	\$161.05 / day	\$ 3,296,534	2018	\$194.84 / day	\$ 157,585	\$ 157,585	83%							
	DSS	Independent Living	\$101.33 / day	\$ 455,999	2018	\$87.68 / day	\$ -	\$ -	116%							
	DOC	Independent Living	\$101.33 / day	\$ 384,680	2018	\$87.68 / day	\$ -	\$ -	116%							
	DSS	Psychiatric Residential	\$253.79 / day	\$ 34,463,649	2018	\$246.35 / day	\$ -	\$ -	103%							
	DOC	Psychiatric Residential	\$253.79 / day	\$ 5,690,508	2018	\$246.35 / day	\$ -	\$ -	103%							
Year 2: SFY2019	DSS	Behavioral Health- Substance Use Disorder (outpatient, counseling, low- intensity residential, inpatient)	Outpx Counseling \$23.96 / 15min Outpx Counseling Grp \$6.15 / 15min Low-Intensity Residential \$35.66 / day Inpatient Tx \$235.93 / day PRTF \$320.31 / day Detox \$30.18 / 12 hour	\$ 24,846,425	2018	Outpx Counseling \$23.84 / 15 min Outpx Counseling Grp \$6.68 / 15 min Low-Intensity Residential \$60.55 / day Inpatient Tx \$234.33 / day PRTF \$271.32 / day Detox \$44.71 / 12 hour	\$ 2,281,098	\$ 2,256,282	92%							
	DHS	Assisted Living	\$50.25 / day	\$ 14,928,145	2018	\$65.75 / day	\$ 4,502,688	\$ 1,885,726	76%	2019	Tier 1: \$53.75 / day; Tier 2: \$63.67 / day; Tier 3: \$73.58 / day	\$ 2,597,025	\$ 1,087,634		85%	
Year 3: SFY2020	DSS	Behavioral Health - Mental Health (IMPACT, CARE, SED, Outpatient)	IMPACT \$77.74 / day CARE \$70.29 / day SED \$27.79 / 15 min Outpx Psychiatry \$60.34 / 15 min	\$ 29,588,840	2018	IMPACT \$74.93 / day CARE \$68.28 / day SED \$27.20 / 15 min Outpx Psychiatry \$82.54 / 15 min (b)	\$957,282 (b)	\$700,680 (b)	90% (b)	On- going (a)	Preliminary, Not Final: IMPACT \$60.30 & \$117.74/ day CARE \$82.12 / day SED \$30.43 / 15 min Outpx Psychiatry \$74.23 / 15 min Outpatient not final	\$ 3,517,511	\$ 2,339,254		On-going (a) (Not Final)	
	DHS	Community Support Providers (CSPs)	Adult avg: \$152.12 / day Child Avg: \$223.18 / day	\$ 148,105,587	2018	Adult avg: \$155.16 / day Child Avg: \$227.64 / day	\$ 2,325,359	\$ 973,860	98%	on-going	Review is on-going to be completed in August 2020					
Year 4: SFY2021	DSS	Behavioral Health - Justice Involved Populations (FFT, CBISA)	FFT \$234.07 / session CBISA \$70.79 / session	\$ 11,618,312												
	DHS	Nursing Homes	\$161.94 / day	\$ 163,927,779	2018	\$165.93 / day	\$ 4,710,044	\$ 1,972,566	98%	on-going	Review is on-going to be completed in August 2020					

Key:

Current Methodology: Information regarding the current methodology used to calculate reimbursement rates.
 SFY2020 Budget: Total funds budget for each service.
 Source Data Year: Year of source data used to calculate rates (cost report, Medicare fee schedules, etc.).
 Total Cost to Reach Methodology: Fiscal impact of rate calculation based on most recent utilization data available.
 General Fund Cost to Reach Methodology: General Fund share of Total Cost to Reach Methodology.
 Percent of Methodology Paid: Current reimbursement rates as a percentage of Rate Calculation based on most recent data available.

Results of Analysis: Information regarding proposed changes to reimbursement methodologies. Compares current rate to proposed methodology.
 Year Analysis Completed: Year the reimbursement methodology was reviewed.
 Rate Calculation: Rate calculation based on reimbursement methodology. Costs were indexed forward by CPI-U of 2.07% (SFY19) and 2.07% (SFY20 est.)
 Total Cost to Reach Methodology: Fiscal impact of rate calculation based on most recent utilization data available.
 General Fund Cost to Reach Methodology: General fund share of Total Cost to reach Methodology.
 Percent of Methodology Paid: Current reimbursement rate as a percentage of rate calculation.

(a) Review is still on-going to be completed by the end of state fiscal year 2020. Rates are proposed and not final.
 (b) Information from 2018 Annual Report.