

PUBLIC NOTICE

South Dakota Medicaid Program

Notice is hereby given that the South Dakota Department of Social Services intends to submit an 1115 Demonstration (“demonstration”) application to the Center for Medicare & Medicaid Services (“CMS”) titled “Improving American Indian Health in South Dakota”. The demonstration will be available to all American Indians enrolled in South Dakota Medicaid that are IHS eligible and elect to receive services from a participating provider.

The demonstration proposes to add providers to the IHS care network by utilizing FQHCs to broaden the network of culturally competent primary care providers for American Indians. The demonstration also proposes to give demonstration providers the same status as IHS allowing them to refer and coordinate care for a recipient in the IHS network.

This model would test alternative means of delivering healthcare through existing facilities in population centers that serve high percentages of American Indians. The demonstration will operate at three FQHC sites that serve a high percentage of American Indian patients:

- South Dakota Urban Indian Health: Pierre and Sioux Falls, South Dakota
- Horizon Health: Mission, South Dakota
- Community Health Center of the Black Hills: Rapid City, South Dakota

The goals and objectives of the demonstration are the following:

1. Improve access to culturally competent primary care sources for American Indians enrolled in South Dakota Medicaid.
2. Improve health outcomes for American Indians enrolled in South Dakota Medicaid.
3. Decrease non-emergent emergency department utilization and inpatient hospitalizations.

The State will evaluate the following hypotheses on no less than an annual basis:

1. The demonstration will maintain or improve patient satisfaction with care.
2. The demonstration will maintain or increase access to behavioral health services.
3. The demonstration will maintain or improve patient perception of provider and office staff respect for the patient.
4. The demonstration will maintain or improve cultural competency practices.
5. The demonstration will maintain or improve health outcomes and chronic disease management for at-risk populations.
6. The demonstration will maintain or increase the use of preventive services.
7. The demonstration will maintain or improve rates of non-emergent emergency department usage.
8. The demonstration will maintain or decrease inpatient hospitalizations.

The demonstration is not expected to increase or decrease annual enrollment. In state fiscal year 2018 there were 52,658 American Indians enrolled in South Dakota Medicaid. All American Indians will be eligible to receive services from these providers; however, it is likely only a subset of the population will likely be affected by the demonstration. Historical Medicaid expenditures for services provided to American Indians by these FQHCs was \$2,146,115.04 in state fiscal year 2018. The State anticipates annual aggregate expenditures associated with the

demonstration will be \$5,370,535.00 in year one of the demonstration. The state estimates expenditures will be approximately the same each year of the demonstration.

The demonstration will not utilize different standards or methodologies for determining Medicaid eligibility. American Indians receiving services through the demonstration will continue to have the same benefit coverage, cost sharing, and delivery system as provided under the Medicaid state plan. The State intends to implement the demonstration within 90 days of approval and is requesting to operate the demonstration for a five year period.

The demonstration application requests 1115(a)(1) authority to waive statewideness and uniformity to operate the demonstration at the three above-referenced FQHC sites. The State is also requesting 1115(a)(2) expenditure authority to reimburse FQHCs in the demonstration at 100 percent federal financial participation.

The State will conduct two public hearings at the following times and locations:

January 16, 2019
9 AM CST
Kneip Building
Kneip 2 Conference Room
700 Governors Drive
Pierre, SD 57501

January 22, 2019
1 PM CST
DSS Local Office
Capitol Conference Room
3900 W. Technology Circle, Ste. 1,
Sioux Falls, SD 57106

Commenters may appear telephonically at these hearings by calling (866)-410-8397 and entering conference code 6256779181.

A copy of the proposed waiver is available on the Department's website at <https://dss.sd.gov/medicaid/1115waiver.aspx>. Comments may be emailed to dss.medicaid@state.sd.us. Written requests for a copy of the demonstration, and corresponding comments, may also be sent to:

DIVISION OF MEDICAL SERVICES
DEPARTMENT OF SOCIAL SERVICES
700 GOVERNORS DRIVE
PIERRE, SD 57501-2291

A copy of the proposed demonstration is available for public review and comment at the above-referenced address. A 30 day comment period on the demonstration application will begin December 26, 2018 and end January 24, 2019. All comments should be submitted during this time period.