



South Dakota  
Department of  
**Social Services**

**DEPARTMENT OF SOCIAL SERVICES**

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**Medicaid Advisory Committee Meeting Minutes  
May 8, 2024**

**Attendees**

Heather Petermann, Ashley Lauing, Erik Nelson, Clarisa Barnes, Ben Tiensvold, Tim Guerrant, Belinda Grave, Verlie Kelly, Renae Hericks, Chris Soukup, Matthew Ballard, Jason Wickersham, Mary Johnle, Scott Kennedy, Mark Burket, Joe Gamis, Karli Williams, Lynne Kaufmann, Sharon Chontos, Eric Grocott

**Welcome and Introductions**

Heather Peterman, Medicaid Director, kicked off the meeting with introductions. Members and attendees introduced themselves.

**Hospital Reimbursement Methodology Updates**

Tim Guerrant and Joe Gamis from Myers & Stauffer discussed updates to the hospital reimbursement methodologies. Slides can be found on the [Medicaid Advisory Committee webpage](#).

**Discussion and Questions**

- Erik Nelson asked for clarification on how the base rate is calculated.
  - Tim explained that the base rate was calculated to achieve a budget neutral target for the state in conjunction with other targets and objectives the State provided.
- For comparison, what is Montana's base rate?
  - State's base rates vary. A base rate alone doesn't specifically indicate how much a hospital is reimbursed as it is only one component of calculating payments. If the other components are not the same, such as using different weight sets then the payment will vary between payers even if they had the same base rate.
- Can DSS clarify what is meant by saying that changes would remain "budget neutral"?
  - Myers & Stauffer utilized historical claims data to model payments under the new methodology. The modeling is done with the objective of the State's total hospital expenditures being the same as they would be without these changes.
- What was the directive for seeing these updates and changes in reimbursement?
  - These changes are part of the process to streamline reimbursement and to better align the State's reimbursement methodology with industry standards.
- Mark Burket asked if these changes would generate an increase in reimbursement rates for providers?
  - Some providers may see an increase in reimbursement rates due to the proposed changes while others may see a decrease.

**Baby Ready Updates**

Valerie Kelly provided an update on the BabyReady program and the sharing sessions they recently held. Enrollment numbers are trending upward for both recipients and providers. One major consideration for change is that currently women must be 20 weeks gestation or less to enroll in the program. Providers expressed interest in expanding this to include later weeks. DSS is reviewing this potential change. Providers also asked for more training and education as well as assistance with operationalization of the BabyReady program. DSS will begin hosting quarterly 1-hour training sessions for the program in July 2025. Other providers have asked for more directed 1:1 training with their clinics and DSS has been able to start providing those opportunities.

### **Prior Authorization Changes**

Dr. Clarissa Barnes provided an overview of prior authorization changes. Slides can be found on the [Medicaid Advisory Committee webpage](#).

### **State Plan Amendment (SPA) Report**

Renae Hericks provided an overview of state plan amendments since the last meeting, including updates to the report. A complete list of state plan amendments can be found on the [Medicaid Advisory Committee webpage](#).

### **Discussion and Questions**

- Erik Nelson asked about the status of work requirements?
  - DSS anticipates pursuing these requirements through an 1115 waiver rather than a State Plan Amendment. The State continues to review the possible implementation of work requirements. DSS anticipates a waiver request could occur this summer. A public comment period would occur before submission to CMS.

### **5121 Juvenile Justice Updates**

Ashley Lauing provided an overview of the changes to Targeted Case Management and Pre-Release services covered under section 5121 of CAA, 2023. Slides can be found on the [Medicaid Advisory Committee webpage](#).

### **Medicaid Advisory Committee (MAC) and Beneficiary Advisory Council (BAC)**

Ashley Lauing presented on the upcoming changes to MAC and federal requirements to establish a BAC. Slides can be found at the [Medicaid Advisory Committee Meeting Website](#).

### **Public Input**

Mark Burket asked if there have been significant changes to the Long-Term Care application. His team has noticed significantly longer wait times for applications than previously.

- DSS indicated that changes to applications and processes are intended to streamline applications and that they would look into issues that may be causing delays.

### **Next Meeting Date**

To Be Determined