



State Plan Amendment Updates

January 22, 2026



Rural Health Center and Federally Qualified Health Center Scope in Service (Anticipated)

Brief Description:

Updates Rural Health Clinic (RHC) and Federally Qualified Health Center (FQHC) criteria for scope of service changes including the application and review process, and the change in scope rate calculation.

Reason for Amendment:

To add policy and procedure clarification.

Important Dates:

Comment Period: Spring 2026

Effective date: Spring 2026

Hospital Reimbursement (Anticipated)



Brief Description:

Implements changes to inpatient and outpatient hospital reimbursement methodologies for both instate and out-of-state hospitals.

Reason for Amendment:

To modernize, streamline and more closely align the methodologies with industry standards.

Important Dates:

Comment Period: Spring 2026

Effective Date: July 1, 2026

South Dakota Medicaid State Plan Amendments and 1115 Demonstration Applications

As of January 22, 2026

State plan amendments are available on our website at <https://dss.sd.gov/medicaid/medicaidstateplan.aspx>

SPAs in Public Comment Period

SPA #	SPA Description	Date Effective	Public Comment Period Start Date	Date Public Comment Period Ends
	None at this time			

Anticipated SPAs

SPA Description	Anticipated Start of Public Comment Period
Rural Health Clinic and Federally Qualified Health Center Scope of Service <i>Updates Rural Health Clinic (RHC) and Federally Qualified Health Center (FQHC) criteria for scope of service changes including the application and review process, and the change in scope rate calculation.</i>	Spring 2026
Hospital Reimbursement <i>Updates hospital reimbursement methodologies including inpatient and outpatient hospital services for both in-state and out-of-state hospitals to modernize, streamline and more closely align the methodologies with industry standards.</i>	Spring 2026

SPAs Being Prepared for CMS Submission

SPA #	SPA Description	Date Effective	Public Comment Period Start Date	Date Public Comment Period Ends
25-0016	CHIP Eligibility - Incarcerated Beneficiaries <i>Provides assurance that the State is in compliance with requirements in Section 5121 of the Consolidated Appropriations Act, 2023 regarding eligibility of Targeted Low-Income Children (TLIC) who are or become incarcerated.</i>	07/01/2025	12/15/2025	01/14/2026

SPAs in CMS Review					
SPA #	SPA Description	Date Effective	Public Comment Period Start Date	Public Comment Period End Date	Date Submitted to CMS
25-0015	SUD/IMD Template and School-Based Administrative Claiming <i>Replaces the current Attachment 3.1-L Substance Use Disorders / Institutions for Mental Diseases State Plan pages with the new template pages provided by CMS and separately updates the random moment time study cost pool list of providers that may perform school-based direct services and/or administrative claiming activities..</i>	10/01/2025	09/29/2025	10/29/2025	11/07/2025
25-0012	SFY26 Provider Inflationary Increase <i>Implements inflationary rate increases appropriated by the state legislature during the 2025 legislative session effective July 1, 2025, and coverage and reimbursement for Rural Emergency Hospitals under the Clinic Services benefit.</i>	07/01/2025	06/23/2025	07/23/2025	07/31/2025

Approved SPAs						
SPA #	SPA Description	Date Effective	Public Comment Period Start Date	Public Comment Period End Date	Date Submitted to CMS	Date Approved
25-0010	SFY26 Health Home Inflationary Increase <i>Implements the inflationary rate increases appropriated by the state legislature during the 2025 legislative.</i>	07/01/25	05/12/2025	06/11/2025	09/09/2025	09/03/2025

Additional Information

Website: <https://dss.sd.gov/medicaid/medicaidstateplan.aspx>

- Notice Documents
- Updated SPA pages
- CMS SPA Submission Documents
- Recently Approved State Plan Amendments
- Complete Copy of the South Dakota Medicaid State Plan

Comment Submissions:

State Plan Amendment comments may be emailed to MedicaidSPA@state.sd.us or mailed to:

Division of Medical Services
Department of Social Services
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Pierre, SD 57501-2291