DEPARTMENT OF SOCIAL SERVICES



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South Dakota Medicaid Thursday, October 23, 2025 Beneficiary Advisory Council Meeting Minutes

Beneficiary Advisory Council (BAC) Attendees

Bethany Curtis, Sioux Falls, SD; Larissa Deedrich, Sioux Falls, SD; Mikki Donelson, Sioux Falls, SD; Marissa Figueroa, Rapid City, SD; Alex Helvin, Sioux Falls, SD; Julie Kopp, Box Elder, SD; Jeannette Wellman, Hot Springs, SD

Other Attendees

Matthew Ballard, Deputy Director, South Dakota Medicaid; Dr. Clarissa Barnes, Chief Medical Officer, South Dakota Medicaid; Tammi Darnall, South Dakota DHS Chief Financial Officer; Mary Johnle, Program Administrator, South Dakota Economic Assistance; Ashley Lauing, Policy Strategy Manager, South Dakota Medicaid; Kara Peery, Medical Program Specialist, South Dakota Medicaid; Heather Petermann, Director, South Dakota Medicaid; Chris Soukup, Care Management Program Manager, South Dakota Medicaid; Ben May and Sharon Chontos, BAC Coordinators, North Star Solutions

Welcome and Overview

Ashley Lauing, Policy Strategy Manager, Department of Social Services (DSS), Division of Medical Services (DMS), welcomed the BAC members. The first meeting in September 2025 focused on an introduction of Medicaid and the purpose of the BAC. This meeting's agenda included topics in which Medicaid is seeking feedback and suggestions, as well as follow ups to specific questions posed by BAC members.

Opening Remarks

Heather Petermann, Director, DSS, DMS, thanked the BAC members for their service. She explained state government employees are public servants and human. They want to get it right but may have blind spots and need input from many voices, but especially from those with direct experience. The BAC members will provide South Dakota Medicaid insight into how current and prospective policies and coverage impact recipients. She encouraged the BAC members to ask questions.

BAC Appointments

Ben May, BAC Coordinator, explained the BAC bylaws require members to serve one, two, and three-year terms. The terms are staggered so the positions do not all turn over

on the same year. The terms for each member below were informed by input from individual members and then random selection.

- 1-year term: Larissa Deedrich, Marissa Figueroa
- 2-year term: Bethany Curtis, Jeannette Wellman
- 3-year term: Mikki Donelson, Alex Helvin, Julie Kopp

The Medicaid Advisory Council (MAC) is comprised of professionals in the healthcare field. Their bylaws require that 25% of MAC members be selected from the BAC. Mikki Donelson and Julie Kopp will serve on the MAC. However, the MAC meetings are public, so everyone is welcome to attend.

If a BAC member wishes to reapply at any time, there will need to be a one-year gap in service on the committee before they can be considered for another term.

If for some reason a BAC member needs to leave the council before their term is up, they are able to do so. The BAC Coordinator will reach out to those individuals who applied to be on the BAC but were not selected. Every year, the BAC Coordinator will be recruiting BAC members.

Q. Heather: If a BAC member cannot serve, can another BAC member with a shorter term serve in the longer term in an interim position.

A. Ashley reported that per CMS, the Medicaid Director can appoint an interim member. However, this clause is not currently spelled out in the bylaws. They will add this clause in the bylaws and send the updated bylaws to the BAC members for a virtual vote in November 2025. The BAC members received a copy of the bylaws draft in September.

Q. Matthew: For those BAC members who are appointed to MAC, are their MAC appointments concurrent with the BAC appointment?

A. Ashley responded that the MAC appointment terms have not been determined at this time.

Community Support Provider Payment Update.

Tammi Darnall, Chief Financial Officer for the South Dakota Department of Human Services, addressed the BAC members' question regarding budget cuts for the Community Support Provider program. The budget is based on utilization. For several years, DHS was giving back several million dollars of unused funding to the South Dakota Treasurer. Originally, the budget was going to be cut \$13.7M for FY2026. However, the utilization went up so \$2.4M was added back into the CSP budget. Therefore, the cut was \$11.2M. This cut will not impact the CSP services and did not represent a cut to the provider reimbursement rates.

Q: Julie asked Tammi for further clarification.

A: Tammi asked the attendees to think about a personal budget. For example, say an individual budgets \$5,000 for medical expenses every year. However, at

the end of the year, they may have only used \$4,000 resulting in \$1,000 leftover due to lower-than-expected utilization. Therefore, that individual may budget \$4,000 for the next year based on actual utilization. If DHS runs low on CSP budget, they can work with the Bureau of Finance & Management to try to address.

Recipient Communication Feedback.

Heather stated that one of the main things that they will ask the BAC members is how to best communicate policy or process changes. South Dakota Medicaid will ask the BAC members to review documentation and ask for feedback

House Relation 1 (HR1)

Kara Peery, Medical Program Specialist, DSS, Division of Economic Assistance (EA), reported HR1 was part of the One Big Beautiful Bill Act where employment is required for some Medicaid Expansion population. Kara said there is more clarification that is forthcoming. The slides can be found on the <u>BAC webpage</u>.

Q: Mikki. Medicaid Expansion recipients who are enrolled in education are exempt from this ruling. Do treatment classes count?

A: Kara and Mary said they will ask CMS that question. The Medicaid team noted they will need to be clear in their communication of what is considered Expansion.

Q: Larissa. Will South Dakota Medicaid define how long a short-term hardship will be?

A. Kara said they will provide more clarity as they receive more information from CMS.

Q: Larissa. In the housing field, clients need to provide documentation from a medical provider if they cannot pay rent. For example, the housing program will pay a portion of the rent, and the client will pay the remaining amount. However, if they have a short-term disability, they can get an exception until they are able to pay again. Keep in mind that this is difficult to prove. Will this be similar?

A. Kara said they will provide more clarity as they receive more information from CMS.

Several BAC members expressed concerns regarding Medicaid communication about policy changes such as work requirements.

Alex: Medicaid recipients get confused and anxious when they receive letters and notifications. Generally, there is a population that is in and out of the Medicaid system. However, this year, there seems to be an uptick in people who have never been on Medicaid. They pick apart and overanalyze the letters they receive. Anytime they get a letter they would call Alex and ask her to read the letter to interpret.

Jeannette: When some Medicaid recipients receive letters, they do not understand the instructions or message. "What did I do wrong? What do I need to do?" A suggestion would be to provide a simple message to the provider offices, so they know how to respond to questions.

Marissa: Medicaid is considering printing notifications on different color papers; that may help.

Mikki: A suggestion would be to put a simple checklist in the letter instructing recipients what to do. Some recipients do not have access to the internet. They need to call the Medicaid office to ask questions.

Alex: Many people that I have assisted are in crisis and they find that the letters are too overwhelming. They do not want to receive aid in the first place. Some people have comprehension but become overwhelmed when dealing with the State. They don't understand if they can pick their own doctor.

Julie: Even as a guardian, a letter from the State raises anxiety. She recently had an event where one of her children was denied. They called and clarified the issue. As a result, his benefits were reinstated.

Bethany: A lot of patients have a language barrier. They bring in their letter and have us read it and interpret it. Is it possible to print the letters in another language?

Jeannette: The letters refer to a website link. However, some people do not have access to a computer. They also do not have an email address. The portal is a hard stop for them.

Mikki: If they don't have a phone, they can't get an email.

Larissa: In the housing field, we want to help our clients succeed. We have a housing specialist and CHW that help our clients navigate systems.

A: The Medicaid team thanked the BAC members for their feedback. They acknowledged the barriers that recipients have faced when receiving communications from them. They will be asking BAC members for feedback on communication messaging in the future. They also said they understand that the recipients may be receiving communication from several different agencies (e.g., housing, SNAP). They will do their best to be consistent.

South Dakota Medicaid is hosting a social worker and case worker workshop on Tuesday, October 28, 2025 in Sioux Falls. The link will be sent to the BAC members.

Ben will send an electronic survey form via email to the BAC members asking for further feedback on this agenda item.

Rural Health Transformation (RHT)

Matthew Ballard, Deputy Director, DSS, DMS, reported South Dakota is applying for funding through the RHT program. The funding will span over five years. The funding award will range from \$100 million - \$200 million per year. This opportunity is one time funding and will stop after five years. The grant application is due November 5, 2025, and notification is anticipated at the end of this year. The slides can be found on the BAC webpage.

Q. Larissa. Will there be an opportunity to apply for funding?A. Yes, the majority of the money will be awarded to providers as subrecipients.

Value Based Care in Primary Care

Dr. Clarissa Barnes, Chief Medical Officer, DSS, DMS, explained that Medicaid is exploring a Value-Based Care model for primary care settings that would potentially improve patient outcomes. An example of how this could work would be the primary care providers receiving a monthly payment for every Medicaid recipient in their care. In turn, the primary care providers would use this compensation to pay for a team of professionals, technology, and other resources to ensure the patient is receiving the resources they need to improve their health outcomes. Medicaid is also exploring a shared service model where several rural providers may share case managers and other resources. The current fee-for-service models does not incentivize collaboration or patient outcomes. The BabyReady and Health Home models include some value-based care elements, but are primarily fee-for-service.

Heather stated Medicaid's aim is to encourage a good relationship with patients and their primary care provider.

Dr. Barnes reminded the BAC that the model is in the concept phase and the agency will be doing further stakeholder engagement to develop a model. The benchmarks used to develop the model will be based on South Dakota data.

Q: Mikki: Would a CHW be part of the care team? As a CHW, she can get a referral from a provider and still work with a patient / client. CHWs and case managers meet the patient where they are. Some patients are in high need but some of their needs are not medical and can be better addressed by a case worker.

A: Yes, CHWs would be part of the care team.

Q: Marissa: What is different between the Primary Care Provider program payment and payments under this concept?

A: The Primary Care Provider receives \$3.14 per person per month to provide case management services and is primarily fee-for-service. This concept could shift to capitated payments for caring for a population and quality incentive payments.

Ashley announced that the BAC members will be able to provide feedback and ask questions through the survey that followed this meeting.

BAC Public Notice Opt-Out Form

Ben explained how BAC members can opt out of having their name listed in any public facing documents or meeting minutes. Ben shared the form with those in attendance in person and emailed it to those who attended virtually.

BAC Travel Reimbursement/Travel Discussion

Ben shared that committee members can be reimbursed for travel expenses for the meetings and provided information about how to request reimbursement.

Closing Remarks

Ashley concluded the meeting by thanking the BAC members for attending the meeting and providing valuable feedback. If BAC members have any questions, they are welcome to reach out via email or a phone call to discuss.

Future Meetings:

- 01/22/2026 (Virtual only)
- 04/23/2026 Rapid City, SD
- 07/23/2026 Sioux Falls, SD
- 10/22/2026 Pierre Kneip Building