



South Dakota
Department of
Social Services

DEPARTMENT OF SOCIAL SERVICES

DIVISION OF MEDICAL SERVICES

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**South Dakota Medicaid
Thursday, January 22, 2026
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 Garza**, 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; **Sarah Houska**, Care Management Program Manager, **Mary Johnle**, Program Administrator, South Dakota Economic Assistance; **Ashley Lauing**, Policy Strategy Manager, South Dakota Medicaid; **Heather Petermann**, Director, South Dakota Medicaid; **Ben May** and **Sharon Chontos**, BAC Coordinators, North Star Solutions

Welcome and Overview

Ashley Lauing welcomed the BAC members. She introduced Sarah Houska, Care Management Program Manager who joined the meeting.

Heather Petermann wished the BAC members a happy new year. She is enthused for 2026 as there will be exciting changes for Medicaid. Today's meeting covered many proposed changes.

Review October Meeting Minutes

The October 2025 minutes are on the [BAC website](#).

Ashley reviewed the October 2025 meeting minutes and asked for questions or corrections. Hearing none, the BAC accepted the minutes as presented.

Updated Bylaws

All seven members responded to the survey regarding the BAC bylaws. The updated changes have been approved by the BAC members.

Feedback

Ashley noted the Medicaid team is tracking all questions posed by the BAC members.

At the October meeting, a question was raised regarding whether MAC appointments would be concurrent with BAC appointments. Ashley clarified that MAC appointments will be one year in length and run concurrently with BAC appointments. This one-year term will allow BAC members the opportunity to rotate into the MAC and help prevent burnout from all day meeting attendance.

Another question posed at the October meeting was if Medicaid Expansion recipients who are enrolled in treatment classes are exempt from community engagement and how long a short-term hardship will be. Ashley said they are waiting on CMS for further clarification.

Ben May, BAC Coordinator, distributed three surveys: (a) feedback on communication related to H.R. 1; (b) feedback on OBBBA Medicaid provisions (H.R. 1); and (c) a request for additional input from BAC members regarding value-based care. No issues or additional feedback were raised by BAC members.

South Dakota Medicaid is required to document and summarize all questions raised by BAC members, along with the corresponding responses from the Medicaid team.

Primary Accountability Care Transformation (PACT)

Dr. Clarissa Barnes provided an update on the PACT initiative funded through Rural Health Transformation (RHT).

South Dakota Medicaid will convene operational workgroups to design and guide implementation of the new primary care model. These workgroups will include representatives from health systems, rural, tribal, and FQHC clinics, professional healthcare organizations, and payors, and are expected to meet at least monthly through 2026 and as needed throughout the program. Input will be incorporated through formal feedback from the BAC and MAC, as well as through Tribal consultation. Handouts can be found on the [BAC website](#).

Q. Larissa: What is the demographic for the recipient incentive pilot?

A. The target population is medically complex patients, with the goal of improving patient outcomes.

Q. Larissa: Will the funding come from the RHT grant?

A. The infrastructure funding will be from RHT. However, the service payment will be from Medicaid.

Rural Health Transformation

Matthew Ballard reported South Dakota received a RHT award notification for \$189.4 million to begin in 2026 through October 30, 2027. The South Dakota Department of Health – Department of Rural Health will manage the overall program.

The DSS initiatives include the a) Medicaid PACT Program; b) Medicaid Rural Health Access and Quality Grants; and c) Certified Community Behavioral Health Clinic

(CCBHC) model statewide and growing the Collaborative Care Model in primary care settings.

Initial state government activities include establishing the project governance structure, meeting with CMS officials for additional guidance, and obtaining legislative approval. The state will also secure additional staffing support for project and grant management. Grant opportunities will be released later this spring.

Handouts can be found on the [BAC website](#). Refer to the [Department of Health's website](#) for more information regarding the RHT grant.

Case Management Letter Feedback

Sarah Houska, Care Management Program Manager, reviewed the Care Connect program letter that eligible recipients will receive. The letter asks recipients to select a primary care provider (PCP) or opt out of the program. BAC members recommended bolding the action items and due date for clarity. Care Connect is a rebrand of the Health Home program.

Q. Bethany and Mikki: Is a provider chosen for the recipient? What if the recipient already has a provider?

A: If their existing provider is within the Care Connect program, they will be able to stay with their provider. If their provider is not within the Care Connect program, they can choose to opt out of the program and stay with their provider or opt into the Care Connect with an approved provider.

The Care Connect brochure can be found at:

<https://dss.sd.gov/formsandpubs/docs/MEDSRVCS/MS06.pdf>

Heather thanked the BAC members for their feedback, suggestions, and questions. She explained that there is a strong connection among Medicaid programs, and that improvements made to one program based on BAC feedback can lead to enhancements across other programs, particularly the PACT program.

Recipient Benefits Feedback

Matthew Ballard requested feedback on how to best communicate benefits information to recipients. Benefit information is currently primarily available in the Medicaid Recipient Handbook. South Dakota Medicaid is considering developing a more accessible, dedicated webpage and sought feedback on whether such a webpage would be helpful and what content it should include. The handbook can be found here: [Handbook](#). A shorter benefits document can be found here: [Benefits Document](#)

Q. Mikki: We need both the handbook and benefits document. For example, it is helpful to know if referrals are required i.e., the list on page 20 in the handbook lists Care Management Referrals which is very helpful.

Comment. Jeannette: I agree. The handbook is also helpful to community health workers (CHWs) and case managers.

Q. Bethany: Is that up to the provider to tell us what services are or are not covered?

A. Both the recipient and provider should be informed about coverage. Medicaid makes information available to both. The provider should inform the recipient if they know a service is not covered.

Q. Marissa: Are recipients responsible for services not covered by Medicaid?

A. Yes

Q. Marissa: Is there any way to let people know ahead of their visits?

A. Coverage information is available on the website. As a best practice, also inquire with your provider if the services are covered.

In addition to discussions about understanding covered benefits, the BAC members also expressed concerns about PCP referrals being an impediment at times to accessing covered services particularly when the recipient does not choose a PCP and has a PCP assigned or the recipient has not established care with their PCP.

Ashley summarized the discussion, noting that both the handbook and the one-page beneficiary document are necessary and actively used by recipients and case management providers. She also suggested that PCP referrals be discussed at the next meeting.

HR 1 Communication Feedback

Mary Johnle, Program Administrator, South Dakota Economic Assistance, walked the BAC members through the webpage which explains the Federal Reconciliation Bill (H.R.1) into law. All states must implement the changes in the law. The topics include:

- Retroactive Coverage or “Backdating”
- Community Engagement or “Work Requirements”
- More Frequent Renewals
- Cost Sharing Requirements for Certain Services

Mary asked to let the Medicaid team know if you have any feedback.

HR1 Cost Sharing Requirements

Ashley reported the One Big Beautiful Bill Act/HR1 requires states to implement cost sharing requirements for a subset of the Medicaid expansion population effective October 1, 2028. Handouts can be found on the [MAC website](#).

Q. Larissa: This seems like such an administrative burden to collect the cost share. Can the provider waive the fee?

A. Yes, providers may reduce or waive cost sharing on a case-by-case basis.

Comment. Marissa: I have worked at places that have cost share requirements. People do not have the \$1 or \$30 and then they cannot be seen. This creates an open appointment. It makes me nervous. This could be a barrier to care.

Comment. Alex: It will deter people from going to the doctor. For people who know how to utilize Medicaid, it is life changing and lifesaving. Cost share may damage the creditability of the Medicaid program.

Comment. Mikki: I view this as a co-pay. If they know they can see the provider even when they do not have the co-pay, they will continue to get the care they need.

Comment. Jeannette: Some of my clients will not be able to pay and this may lead to collections. Being turned into collections for \$3 would be devastating.

Q: Larissa: What services are within the scope?

A. Medicaid has not defined services with co-pay yet and is seeking preliminary feedback from stakeholders through this discussion.

Q. Julie. Will the CSP population be included. In the past, they would have co-pay and this population goes to the provider quite a bit.

A. No. Only a sub-population of the Medicaid Expansion recipients would be impacted.

Ashley concluded that co-pays will be required through HR1. However, how it is designed and implemented has some State discretion. On behalf of the Medicaid team, we appreciate the BAC members' feedback to reduce barriers to the recipients and administrative burden on the providers.

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:

- 04/23/2026 – Rapid City – One Stop Building
- 07/23/2026 – Sioux Falls – One Stop Building
- 10/22/2026 – Pierre – Kneip Building