



South Dakota
Department of
Social Services

DEPARTMENT OF SOCIAL SERVICES

DIVISION OF MEDICAL SERVICES
700 GOVERNORS DRIVE
PIERRE, SD 57501-2291
PHONE: 605.773.3495
FAX: 605.773.5246
WEB: dss.sd.gov

South Dakota Medicaid Tribal Consultation Agenda

July 21, 2026

1:00-3:00 Central Time

Sioux Falls One Stop

1501 S. Highline, Sioux Falls, SD 57110

Join via [Microsoft Teams](#)

Meeting ID: 45 504 033 535 528 Password: Hs73kM93

1. Introductions
2. Review [Minutes](#) from April Meeting
 - Outstanding items from previous meetings
3. State Plan Amendments
4. Other Medicaid Updates
 - Rural Health Transformation Plan
 - Program Integrity
 - Board of Addiction and Prevention Professionals Credentialing
5. Eligibility Updates and Feedback
 - HR1 Website
6. Tribal Reports
7. IHS and UIH Reports
8. Public Input

2026 Meetings

- 10/20/2026



State Plan Amendment Updates

July 21, 2026



SFY27 Provider Inflationary Increase

SD-26-0008

Brief Description:

The SPA implements the 1.4% inflationary rate increases appropriated by the state legislature during the 2026 legislative session effective July 1, 2026.

Reason for Amendment:

The state legislature appropriated an inflationary increase of 1.4% for SFY27.

Anticipated Impact to Tribes:

Increased reimbursement for services not reimbursed on an encounter basis.

Important Dates:

Comment Period: June 29, 2026 through July 29, 2026

Effective date: July 1, 2026

SFY27 Care Connect Inflationary Increase

SD-26-0004

Brief Description:

Implements a 1.4% inflationary rate increases for Care Connect payments (formerly known as Health Home) as appropriated by the state legislature during the 2026 legislative session and rebases the PMPM tier amounts.

Reason for Amendment:

The state legislature appropriated an inflationary increase of 1.4% for SFY27.

Anticipated Impact to Tribes:

Increased reimbursement for Care Connect Providers.

Important Dates:

Comment Period: June 29, 2026 through July 29, 2026

Effective date: July 1, 2026

Primary Accountable Care Transformation (PACT) Quality Payment

Brief Description:

Implements a new quality-based payment to healthcare providers enrolled in the Medicaid Primary Care Provider (PCP) program. Payments are based on provider performance on specific primary care quality metrics during 2026 and 2027 and funded under the Rural Health Transformation Plan.

Reason for Amendment:

Distribution of funding tied to the Rural Health Transformation Plan.

Anticipated Impact to Tribes:

New incentive payment opportunity for participating Primary Care Providers.

Important Dates:

Comment Period: July 20, 2026 through August 19, 2026.

Effective date: August 1, 2026

South Dakota Medicaid State Plan Amendments and 1115 Demonstration Applications

As of July 21, 2026

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

SPAs in Tribal Consultations

SPA #	SPA Description	Date Effective	Tribal Consultation Start Date	Date Public Comment Period Ends
26-0008	SFY27 Provider Inflationary Increase <i>Primarily implements the inflationary rate increases appropriated by the state legislature during the 2026 legislative session effective July 1, 2026.</i>	07/01/2026	06/29/2026	07/29/2026
26-0004	SFY27 Care Connect (Health Home) Inflationary Increase <i>Implements the inflationary rate increases appropriated during the 2026 legislative session and rebases the PMPM tier amounts.</i>	07/01/2026	06/29/2026	07/29/2026
26-0006	Primary Accountable Care Transformation (PACT) Quality Payment <i>Implements a new quality-based payment to healthcare providers enrolled in the Medicaid Primary Care Provider (PCP) program. Payments are based on provider performance on specific primary care quality metrics during 2026 and 2027 and funded under the Rural Health Transformation plan.</i>	08/01/2026	07/20/2026	08/19/2026

Anticipated SPAs

SPA Description	Anticipated Start of Tribal Consultation
None at this time.	

SPAs Being Prepared for CMS Submission

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

SPAs in CMS Review

SPA #	SPA Description	Date Effective	Tribal Consultation Start Date	Tribal Consultation End Date	Date Submitted to CMS
26-0005	CY26 Care Coordination Supplemental Payments <i>Updates the care coordination provider list and supplemental payment amounts.</i>	06/01/2026	05/04/2026	06/03/2026	06/23/2026
26-0001	FQHC/RHC Scope of Service and FQHC Alternative Payment Methodology <i>Updates Rural Health Clinic (RHC) and Federally Qualified Health Center (FQHC) criteria for scope of service changes and implements an Alternative Payment Methodology (APM) encounter rate informed by the statewide cost-based weighted-average for FQHCs as appropriated for by the legislature.</i>	07/01/2026	04/20/2026	05/20/2026	05/21/2026
26-0002	SFY27 Behavioral Health Inflationary Increase <i>Implements community mental health center (CMHC) and substance use disorder (SUD) agency rate increases appropriated by the state legislature during the 2026 legislative session effective June 1, 2026.</i>	06/01/2026	04/20/2026	05/20/2026	05/21/2026
26-0003	Hospital Reimbursement <i>Updates hospital reimbursement methodologies including inpatient and outpatient hospital services for both instate and out-of-state hospitals to modernize, streamline and more closely align the methodologies with industry standards.</i>	07/01/2026	04/13/2026	05/13/2026	05/21/2026
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	Tribal Consultation Start Date	Tribal Consultation End Date	Date Submitted to CMS	Date Approved
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	03/10/2026