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State/Territory Name: South Dakota

State Plan Amendment (SPA) #: 19-0002

This file contains the following documents in the order listed:

1) Approval Letter
2) 179
3) Approved SPA Pages
Financial Management Group

September 3, 2019

M. Greg DeSautel, MD
Cabinet Secretary
Department of Social Services
700 Governors Drive
Pierre, South Dakota 57501-2291

Re: South Dakota 19-0002

Dear Dr. DeSautel:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 19-0002. Effective for services on or after January 1, 2019, this amendment provides for a supplemental payment for private hospitals.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment TN 19-0002 is approved effective January 1, 2019. The CMS-179 and the amended plan page are attached.

If you have any questions, please contact Christine Storey at (303) 844-7044.

Sincerely,

Kristin Fan
Director

cc:
Jocelyn Ihrig
Christine Storey
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
CENTERS FOR MEDICARE & MEDICAID SERVICES

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSIMMITAL NUMBER:  
   SD-19-002

2. STATE:  
   South Dakota

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE:  
   January 1, 2019

5. TYPE OF PLAN MATERIAL (Check One):
   - [ ] NEW STATE PLAN
   - [ ] AMENDMENT TO BE CONSIDERED AS NEW PLAN
   - [ ] AMENDMENT

6. FEDERAL STATUTE/REGULATION CITATION:  
   SSA § 1902(a) and 42 CFR 447

7. FEDERAL BUDGET IMPACT:
   a. FFY 2019: $ 911,861
   b. FFY 2020: $ 911,861

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
   Attachment 4.19-A page 14

9. FEDERAL BUDGET IMPACT:
   a. FFY 2019: $ 911,861
   b. FFY 2020: $ 911,861

10. SUBJECT OF AMENDMENT:
    The state plan amendment establishes supplemental payments for in-state private hospitals

11. GOVERNOR'S REVIEW (Check One):
   - [ ] GOVERNOR'S OFFICE REPORTED NO COMMENT
   - [ ] OTHER, AS SPECIFIED:
   - [ ] COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
   - [ ] NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:
    M. Greg DeSautel, M.D.

13. TYPED NAME:
    M. Greg DeSautel, M.D.

14. A TITLE:
    Cabinet Secretary

15. A DATE SUBMITTED: February 8, 2019
    Revised: 8/28/2019, 09/03/2019

16. RETURN TO:
    DEPARTMENT OF SOCIAL SERVICES
    DIVISION OF MEDICAL SERVICES
    700 GOVERNORS DRIVE
    PIERRE, SD 57501-2291

17. DATE RECEIVED:

18. DATE APPROVED:  
   SEP 03 2019

19. EFFECTIVE DATE OF APPROVED MATERIAL:  
   JAN 01 2019

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:
    Kristin Fan

22. TITLE:
    Director, FUA

23. REMARKS:

FORM CMS-179 (07-92)
The Department of Social Services (DSS) supports ensuring access and proper coordination of care. The department will make supplemental payments to further these goals to the following private providers in the following amounts:

<table>
<thead>
<tr>
<th>Provider</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avera</td>
<td>$367,135</td>
</tr>
<tr>
<td>Bennett County</td>
<td>$11,673</td>
</tr>
<tr>
<td>Black Hills Surgical</td>
<td>$16,826</td>
</tr>
<tr>
<td>Mobridge Regional</td>
<td>$3,799</td>
</tr>
<tr>
<td>Rapid City Regional</td>
<td>$763,510</td>
</tr>
<tr>
<td>Sanford</td>
<td>$444,145</td>
</tr>
</tbody>
</table>

Supplemental payments will be made annually using data calculated for the period of May 1 to April 30. Annual Payments for the supplemental payment period will be made during the last quarter of the state fiscal year.

The payment will be made to the provider through the MMIS system. Payments will be made directly to the qualifying provider through a supplemental payment mechanism and will appear on their remittance advice. Each provider will receive written notification at the time of payment of the payment amount from the Division of Medical Services.

Payments made in error will be recovered via a supplemental recovery mechanism and will appear on the provider's remittance advice. The agency will notify the provider in writing explaining the error prior to the recovery. The Federal share of payments made in excess will be returned to CMS in accordance with 42 CFR Part 433, Subpart F.

The maximum aggregate payment to all qualifying hospitals shall not exceed the available upper payment limit in accordance with 42 CFR 447.272.