

## State Plan Under Title XIX of the Social Security Act

State: \_\_\_\_\_

### METHODOLOGY FOR IDENTIFICATION OF APPLICABLE FMAP RATES

The State will determine the appropriate FMAP rate for expenditures for individuals enrolled in the adult group described in 42 CFR 435.119 and receiving benefits in accordance with 42 CFR Part 440 Subpart C. The adult group FMAP methodology consists of two parts: an individual-based determination related to enrolled individuals, and as applicable, appropriate population-based adjustments.

#### Part 1 – Adult Group Individual Income-Based Determinations

For individuals eligible in the adult group, the state will make an individual income-based determination for purposes of the adult group FMAP methodology by comparing individual income to the relevant converted income eligibility standards in effect on December 1, 2009, and included in the MAGI Conversion Plan (Part 2) approved by CMS on \_\_\_\_\_. In general, and subject to any adjustments described in this SPA, under the adult group FMAP methodology, the expenditures of individuals with incomes below the relevant converted income standards for the applicable subgroup are considered as those for which the newly eligible FMAP is not available. The relevant MAGI-converted standards for each population group in the new adult group are described in Table 1.

**Table 1: Adult Group Eligibility Standards and FMAP Methodology Features**

Covered Populations Within New Adult Group		Applicable Population Adjustment			
Population Group	Relevant Population Group Income Standard	Resource Proxy	Enrollment Cap	Special Circumstances	Other Adjustments
	<p>For each population group, indicate the lower of:</p> <ul style="list-style-type: none"> <li>The reference in the MAGI Conversion Plan (Part 2) to the relevant income standard and the appropriate cross-reference, or</li> <li>133% FPL.</li> </ul> <p>If a population group was not covered as of 12/1/09, enter "Not covered".</p>	<p>Enter "Y" (Yes), "N" (No), or "NA" in the appropriate column to indicate if the population adjustment will apply to each population group. Provide additional information in corresponding attachments.</p>			
<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>
<b>Parents/Caretaker Relatives</b>					
<b>Disabled Persons, non-institutionalized</b>					
<b>Disabled Persons, institutionalized</b>					
<b>Children Age 19 or 20</b>					
<b>Childless Adults</b>					

## Part 2 – Population-based Adjustments to the Newly Eligible Population Based on Resource Test, Enrollment Cap or Special Circumstances

### A. Optional Resource Criteria Proxy Adjustment (42 CFR 433.206(d))

1. The state:

- Applies a resource proxy adjustment to a population group(s) that was subject to a resource test that was applicable on December 1, 2009.
- Does NOT apply a resource proxy adjustment (Skip items 2 through 3 and go to Section B).

Table 1 indicates the group or groups for which the state applies a resource proxy adjustment to the expenditures applicable for individuals eligible and enrolled under 42 CFR 435.119. A resource proxy adjustment is only permitted for a population group(s) that was subject to a resource test that was applicable on December 1, 2009.

The effective date(s) for application of the resource proxy adjustment is specified and described in Attachment B.

2. Data source used for resource proxy adjustments:

The state:

- Applies existing state data from periods before January 1, 2014.
- Applies data obtained through a post-eligibility statistically valid sample of individuals.

Data used in resource proxy adjustments is described in Attachment B.

3. Resource Proxy Methodology: Attachment B describes the sampling approach or other methodology used for calculating the adjustment.

### B. Enrollment Cap Adjustment (42 CFR 433.206(e))

1.  An enrollment cap adjustment is applied by the state (complete items 2 through 4).
- An enrollment cap adjustment is not applied by the state (skip items 2 through 4 and go to Section C).

2. Attachment C describes any enrollment caps authorized in section 1115 demonstrations as of December 1, 2009 that are applicable to populations that the state covers in the eligibility group described at 42 CFR 435.119 and received full benefits, benchmark benefits, or benchmark equivalent benefits as determined by CMS. The enrollment cap or caps are as specified in the applicable section 1115 demonstration special terms and conditions as confirmed by CMS, or in alternative authorized cap or caps as confirmed by CMS. Attach CMS correspondence confirming the applicable enrollment cap(s).
3. The state applies a combined enrollment cap adjustment for purposes of claiming FMAP in the adult group:
  - Yes. The combined enrollment cap adjustment is described in Attachment C
  - No.
4. Enrollment Cap Methodology: Attachment C describes the methodology for calculating the enrollment cap adjustment, including the use of combined enrollment caps, if applicable.

**C. Special Circumstances (42 CFR 433.206(g)) and Other Adjustments to the Adult Group FMAP Methodology**

1. The state:
  - Applies a special circumstances adjustment(s).
  - Does not apply a special circumstances adjustment.
2. The state:
  - Applies additional adjustment(s) to the adult group FMAP methodology (complete item 3).
  - Does not apply any additional adjustment(s) to the adult group FMAP methodology (skip item 3 and go to Part 3).
3. Attachment D describes the special circumstances and other proxy adjustment(s) that are applied, including the population groups to which the adjustments apply and the methodology for calculating the adjustments.

### Part 3 – One-Time Transitions of Previously Covered Populations into the New Adult Group

#### A. Transitioning Previous Section 1115 and State Plan Populations to the New Adult Group

- Individuals previously eligible for Medicaid coverage through a section 1115 demonstration program or a mandatory or optional state plan eligibility category will be transitioned to the new adult group described in 42 CFR 435.119 in accordance with a CMS-approved transition plan and/or a section 1902(e)(14)(A) waiver. For purposes of claiming federal funding at the appropriate FMAP for the populations transitioned to new adult group, the adult group FMAP methodology is applied pursuant to and as described in Attachment E, and where applicable, is subject to any special circumstances or other adjustments described in Attachment D.
- The state does not have any relevant populations requiring such transitions.

### Part 4 - Applicability of Special FMAP Rates

#### A. Expansion State Designation

The state:

- Does NOT meet the definition of expansion state in 42 CFR 433.204(b). (Skip section B and go to Part 5)
- Meets the definition of expansion state as defined in 42 CFR 433.204(b), determined in accordance with the CMS letter confirming expansion state status, dated \_\_\_\_\_.

#### B. Qualification for Temporary 2.2 Percentage Point Increase in FMAP.

The state:

- Does NOT qualify for temporary 2.2 percentage point increase in FMAP under 42 CFR 433.10(c)(7).
- Qualifies for temporary 2.2 percentage point increase in FMAP under 42 CFR 433.10(c)(7), determined in accordance with the CMS letter confirming eligibility for the temporary FMAP increase, dated \_\_\_\_\_. The state will not claim any federal funding for individuals determined eligible under 42 CFR 435.119 at the FMAP rate described in 42 CFR 433.10(c)(6).

## Part 5 - State Attestations

The State attests to the following:

- A. The application of the adult group FMAP methodology will not affect the timing or approval of any individual's eligibility for Medicaid.
- B. The application of the adult group FMAP methodology will not be biased in such a manner as to inappropriately establish the numbers of, or medical assistance expenditures for, individuals determined to be newly or not newly eligible.

### ATTACHMENTS

Not all of the attachments indicated below will apply to all states; some attachments may describe methodologies for multiple population groups within the new adult group. Indicate those of the following attachments which are included with this SPA:

- Attachment A – Conversion Plan Standards Referenced in Table 1
- Attachment B – Resource Criteria Proxy Methodology
- Attachment C – Enrollment Cap Methodology
- Attachment D – Special Circumstances Adjustment and Other Adjustments to the Adult Group FMAP Methodology
- Attachment E – Transition Methodologies

#### PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 4 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

**Special Circumstances Adjustment and Other Adjustments to the Adult Group FMAP Methodology**

Effective July 1, 2023, South Dakota has elected the extended postpartum option, which extends postpartum coverage from 60 days to 12 months, under Sections 9812 and 9822 of the American Rescue Plan Act of 2021. The new extended postpartum coverage provides ongoing care that will reduce pregnancy related deaths and severe maternal morbidity and will improve continuity of care for chronic health conditions. South Dakota intends to claim enhanced federal financial participation using a proxy methodology for individuals who remain on a Medicaid category under the new extended postpartum coverage for 12 months, who would have otherwise moved to the adult coverage group and been determined newly eligible, as described in 42 CFR 435.119 after the original 60-day period. This proxy methodology accounts for the proportion of individuals covered under the extended postpartum coverage option who would otherwise be eligible for coverage in the Adult Group and for the newly eligible federal medical assistance percentage (FMAP) under section 1905(y) of the Social Security Act. SD plans to provide the approved Alternate Benefit Plan (ABP) plan, Attachment 3.1-L, to the postpartum population in the same manner as the adult group. Prior to July 1, 2023, postpartum individuals whose pregnancy ended in live birth with income at or below 133% but above the parent caretaker fixed income limit or whose pregnancy did not end in live birth and are below the parent caretaker fixed income limit, who were at least nineteen years old but less than sixty-five years old, no longer pregnant, not disabled, and not enrolled in Medicare Part A or Part B, would have been determined ineligible after receiving 60 days of postpartum coverage. After July 1, 2023 these individuals would be eligible for the Adult Group and South Dakota would have received enhanced FMAP for these individuals.

**Denominator:**

Based on State Fiscal Year 2019 data (pre-Medicaid Expansion and COVID-19 PHE for South Dakota), 1,582 individuals in South Dakota were enrolled in the postpartum coverage group which was limited to sixty days. South Dakota provides coverage to pregnant women from 0% FPL to 133% FPL, plus the 5% MAGI disregard. Individuals are enrolled in the post-partum coverage group, regardless of income, when they meet no other full benefit coverage group (e.g., Parent Caretaker or SSI Recipient).

**Numerator:**

Because South Dakota's income limits for pregnant women matches that of the Adult Group, the majority of individuals enrolled in a pregnancy-related coverage group, including the post-partum coverage group, meet the eligibility criteria for the Adult Group. Out of those 1,582 individuals, South Dakota believes the following would not have been eligible for the Adult Group

- Under age 19 or over age 64: 2 recipients
- Entitled to or enrolled in Medicare Part A or B: 8 recipients
- Income greater than 138% FPL: 46 recipients

This leaves 1,526 (1,582 – 2 – 8 – 46) individuals who were not eligible for any other coverage group that would meet the eligibility criteria for the Adult Group. As a result, 1,526 individuals would be otherwise eligible for coverage in the adult group and for the newly eligible FMAP after the 60-day postpartum period, but for the State's election of the extended postpartum coverage option. South Dakota redetermines eligibility annually and assumes the coverage would be for the entire additional 10-month period.

**Proxy Percentage:**

The proxy percentage was calculated by dividing the 1,526 individuals who were not eligible for any other coverage group that would meet the eligibility criteria for the Adult Group by the 1,582 individuals who were enrolled in the postpartum coverage group which was limited to sixty days. This number was then reduced to account for the newly eligible FMAP beginning on day 1 of the postpartum period by multiplying that percentage of individuals by 83.6% (305 / 365 days).

As a result, South Dakota estimates the proxy percentage for claiming postpartum individuals as eligible for coverage in the Adult Group and for the newly eligible FMAP after the 60-day postpartum period, but for the State's election of the extended postpartum coverage option as 80.6%.



**Most Recent Updated Summary Information for Part 2 of Modified Adjusted Gross Income (MAGI) Conversion Plan\***

**SOUTH DAKOTA**

02/10/2011

	Population Group	Net standard as of 12/1/09	Converted standard for FMAP claiming	Same as converted eligibility standard? (yes, no, or n/a)	Source of information in Column C (New SIPP conversion or Part 1 of approved state MAGI conversion plan)	Data source for Conversion (SIPP or state data)
	A	B	C	D	E	F
<b>Conversions for FMAP Claiming Purposes</b>						
1	<b>Parents/Caretaker Relatives</b>					
	Dollar standards by family size					
	1	\$563	\$590			
	2	\$703	\$740			
	3	\$796	\$842			
	4	\$885	\$941			
	5	\$977	\$1,042			
	6	\$1,070	\$1,145			
	7	\$1,160	\$1,244			
	8	\$1,249	\$1,343			
	9	\$1,340	\$1,443			
	10	\$1,431	\$1,544			
	11	\$1,521	\$1,643			
	12	\$1,614	\$1,746	yes	Part 1 of approved state MAGI conversion plan	SIPP
	13	\$1,702	\$1,843			
	14	\$1,793	\$1,943			
	15	\$1,884	\$2,044			
	16	\$1,978	\$2,147			
	17	\$2,063	\$2,242			
	18	\$2,154	\$2,342			
	19	\$2,245	\$2,443			
	20	\$2,337	\$2,544			
	21	\$2,426	\$2,643			
	22	\$2,515	\$2,741			
	23	\$2,607	\$2,843			
	24	\$2,696	\$2,941			
25	\$2,787	\$3,042				
add-on	N/A	N/A				
2	<b>Noninstitutionalized Disabled Persons</b>	n/a	n/a	n/a	n/a	n/a
3	<b>Institutionalized Disabled Persons</b>	300%	300%	n/a	ABD conversion template	n/a
	SSI FBR%					
4	<b>Children Age 19-20</b>	n/a	n/a	n/a	n/a	n/a
5	<b>Childless Adults</b>	n/a	n/a	n/a	n/a	n/a

n/a: Not applicable.

\*The contents of this table will be updated automatically in case of modifications to the CMS approved MAGI Conversion Plan