

ATTACHMENT 4.19-B
INTRODUCTION

Payment rates for the services listed below are effective for services provided on or after the corresponding date. Fee schedules are published on the Department's website at <http://dss.sd.gov/medicaid/providers/feeschedules/>. Effective dates listed on the introductory page supersede the effective dates listed elsewhere in Attachment 4.19-B. Unless otherwise noted in the referenced state plan pages, reimbursement rates are the same for both governmental and private providers.

Service	Attachment	Effective Date
Early and Periodic Screening, Diagnosis, and Treatment (EPSDT)	Attachment 4.19-B, Page 4	July 1, 2023
Physician Services	Attachment 4.19-B, Page 6	July 1, 2023
Optometrist Services	Attachment 4.19-B, Page 9	July 1, 2023
Chiropractic Services	Attachment 4.19-B, Page 10	July 1, 2023
Independent Mental Health Practitioners	Attachment 4.19-B, Page 11	July 1, 2023
Nutritionist and Dietician Services	Attachment 4.19-B, Page 11	July 1, 2023
Home Health Services	Attachment 4.19-B, Page 12	July 1, 2023
Durable Medical Equipment	Attachment 4.19-B, Page 13	July 1, 2023
Clinic Services	Attachment 4.19-B, Page 15	July 1, 2023
Dental Services	Attachment 4.19-B, Page 16	July 1, 2023
Physical Therapy	Attachment 4.19-B, Page 17	July 1, 2023
Occupational Therapy	Attachment 4.19-B, Page 18	July 1, 2023
Speech, Hearing, or Language Disorder Services	Attachment 4.19-B, Page 19	July 1, 2023
Dentures	Attachment 4.19-B, Page 21	July 1, 2023
Prosthetic Devices	Attachment 4.19-B, Page 22	July 1, 2023
Eyeglasses	Attachment 4.19-B, Page 23	July 1, 2023
Diabetes Self-Management Training	Attachment 4.19-B, Page 26	July 1, 2023
Community Health Workers	Attachment 4.19-B, Page 26	July 1, 2023
Community Mental Health Centers	Attachment 4.19-B, Page 26	June 1, 2023
Substance Use Disorder Agencies	Attachment 4.19-B, Page 26	June 1, 2023 *
Nurse Midwife Services	Attachment 4.19-B, Page 31	July 1, 2023
Pregnancy PCCM Program	Attachment 4.19-B, Page 39a	April 1, 2024
Transportation	Attachment 4.19-B, Page 38	July 1, 2023
Personal Care Services	Attachment 4.19-B, Page 38	July 1, 2023
Freestanding Birth Centers	Attachment 4.19-B, Page 39	July 1, 2023
Professional Services Provided in a Freestanding Birth Center	Attachment 4.19-B, Page 39	July 1, 2023

*Room and board is not included in these rates.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

South Dakota Medicaid will make payments to medical providers who sign agreements with the State under which the provider agrees: (a) to accept as payment in full the amounts paid in accordance with the payment structures of the State; (b) to keep such records as are necessary to fully disclose the extent of the services provided to individuals receiving assistance under the State Plan; and (c) to furnish the State Agency with such information, regarding any payments claimed by such person or institution for services provided under the State Plan, as the agency may request from time to time.

The following describes policy and methods the agency uses to establish payment rates for each type of care and service, other than inpatient hospital or nursing home services, included in the State Plan. In no instance will the amount of payment under the provisions of this attachment exceed the payment made by the general public for identical services.

1. Inpatient Hospital Services (See Attachment 4.19-A)
- 2a. Outpatient Hospital Services

Effective August 2, 2016, Medicare Prospective Payment System hospitals will be paid using the Medicaid Agency's Outpatient Prospective Payments System (OPPS). Under OPPS, services are reimbursed using Ambulatory Payment Classifications. Effective August 2, 2016, the Department will establish a conversion factor and discount factor specific to each hospital. The hospital specific conversion factor and discount factors are published on the State agency's website at <http://dss.sd.gov/medicaid/providers/feeschedules/dss/>. Effective July 1, 2023, the conversion factor for Medicare Prospective Payment System hospitals paid using the Medicaid Agency's OPPS will be increased by 5.0 percent for hospitals with a conversion factor less than the Medicare conversion factor.

South Dakota Medicaid will pay remaining participating outpatient hospitals with more than 30 Medicaid inpatient discharges during the hospital's fiscal year ending after June 30, 1993 and before July 1, 1994 on the basis of Medicare principles of reasonable reimbursement with the following exceptions:

1. Costs associated with certified registered nurse anesthetist services are allowable costs. These costs are identified on the CMS 2552-10 on Worksheet A-8 and included in the facilities' costs.
2. All capital and education costs incurred for outpatient services are allowable costs. These costs are identified on the CMS 2552-10 on Worksheet D Part III and included in the facilities' costs.
3. Payments to Indian Health Service outpatient hospitals will be per visit and based upon the approved rates published each year in the Federal Register by the Department of Health and Human Services, Indian Health Service, under the authority of sections 321(a) and 322(b) of the Public Health Service Act (42 U.S.C. 248 and 249(b)), Public Law 83-568 (42 U.S.C. 2001(a)), and the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.). The State agency will make payments for visits of the same type of service on the same day at the same provider location only if the services provided are different or if they have different diagnosis codes.

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4. The agency will make prospective payments to outpatient hospitals based upon Medicare principles and the above exceptions using the CMS 2552-10 Report, Worksheet C, Part 1 lines 50-200 as submitted by the hospitals to determine the Medicare outpatient cost-to-charge ratios (CCRs) for the ancillary cost centers for each hospital. All participating hospitals must submit their Medicare cost reports to the agency within 150 days following the end of their fiscal year. For each hospital, the agency will use average of the ancillary CCRs for that hospital to calculate the hospital-specific reimbursement percentage to apply to outpatient charges from that hospital to determine the prospective Medicaid payment.

The remaining in-state hospitals will be reimbursed at 90% of billed charges. Hospitals' charges shall be uniform for all payers and may not exceed the usual and customary charges to private pay patients.

Reimbursement for outpatient services at out-of-state hospitals is calculated at 38.2% of the hospitals' usual and customary charges.

Reimbursement for outpatient hospital dialysis units will be based on the applicable above-stated outpatient payment methodology.

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2b. Rural Health Clinics

Payment for Rural Health Clinic (RHC) services conforms to Section 702 of the Benefits Improvement and Protection Act (BIPA) of 2000.

All covered Rural Health Clinic services furnished on or after January 1, 2001, and each succeeding fiscal year are reimbursed using a prospective payment system.

Until the State transitions to the prospective payment system on October 1, 2001, the State will reimburse RHCs based on the provisions contained in the State Plan as of December 31, 2000. Once the prospective payment system is in place, the State will retroactively reimburse RHCs to the effective date, January 1, 2001, according to the BIPA 2000 requirements.

Payment is set prospectively using the RHC's reasonable costs of providing Medicaid-covered services during RHC Fiscal Years 1999 and 2000, adjusted for any increase or decrease in the scope of services furnished during RHC fiscal year 2001.

The baseline per visit rate is determined for each RHC by (1) calculating a per visit rate for RHC Fiscal Year 1999 and RHC Fiscal Year 2000, (2) adding the two rates together, and (3) dividing the sum by two. The RHC per visit rate is inflated forward from the endpoint of RHC Fiscal Year 1999 to the midpoint of State Fiscal Year 2001.

For newly qualified RHCs after Federal Fiscal Year 2000, the initial payments are determined by the statewide average per visit rate, updated each year using the Medicare Economic Index (MEI). A prospective rate for newly qualified RHCs shall be calculated after the provider has submitted a Medicaid cost report for two full years, according to the methodology described above.

Beginning in Federal Fiscal Year 2002 (October 1, 2001), and for each calendar year thereafter, the per visit payment rate is increased by the percentage increase in the MEI for primary care services, and adjusted for any increase or decrease in the scope of services furnished by the RHC.

The MEI will be applied January 1st of each year.

A change in the scope of services shall occur if: (1) the center has made a material change in services through the addition or deletion of any service that meets the definition of RHC services as provided in 1905(a)(2)(B) and 1905(a)(2)(c); and, (2) the service is included as a covered service under the Medicaid State Plan. A change in the scope of services is defined as adding a new service into the current per diem service base, or removing a service that is in the existing service base. A change in the cost of a service is not considered in and of itself a change in the scope of services.

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The RHC will be responsible for notifying the Department at the time there is a change in the RHC's scope of services. The RHC will supply the needed documentation to the Department for any adjustments in the rate resulting from any increases or decreases in the scope of services. The documentation must consist of two full years of Medicaid cost reports, and must be provided to the Department within 150 days from the RHC's fiscal year end to be considered in the calculation of the adjusted rate. Upon the Department's determination of a change in the scope of services, the effective date for the new rate will be 30 days after receipt of the Medicaid cost reports.

2c. Federal Qualified Health Centers

Payment for Federally Qualified Health Center (FQHC) services conforms to Section 702 of the Benefits Improvement and Protection Act (BIPA) of 2000.

All covered Federally Qualified Health Center services furnished on or after January 1, 2001, and each succeeding fiscal year are reimbursed using a prospective payment system.

Until the State transitions to the prospective payment system on October 1, 2001, the State will reimburse FQHCs based on the provisions contained in the State Plan as of December 31, 2000. Once the prospective payment system is in place, the State will retroactively reimburse FQHCs to the effective date, January 1, 2001, according to the BIPA 2000 requirements.

Payment is set prospectively using the FQHC's reasonable costs of providing Medicaid-covered services during FQHC Fiscal Years 1999 and 2000, adjusted for any increase or decrease in the scope of services furnished during FQHC fiscal year 2001.

The baseline per visit rate is determined for each FQHC by (1) calculating a per visit rate for FQHC Fiscal Year 1999 and FQHC Fiscal Year 2000, (2) adding the two rates together, and (3) dividing the sum by two. The FQHC per visit rate is inflated forward from the endpoint of FQHC Fiscal Year 1999 to the midpoint of State Fiscal Year 2001.

For newly qualified FQHCs after Federal Fiscal Year 2000, the initial payments are determined by the statewide average per visit rate, updated each year using the Medicare Economic Index (MEI). A prospective rate shall be calculated after the provider has submitted a Medicaid cost report for two full FQHC fiscal years, according to the methodology described above.

If the newly qualified FQHC is a subsidiary of an entity that submits Medicaid consolidated cost reports, the newly qualified FQHC will receive that entity's prospective payment rate. For these newly qualified FQHCs, the facility shall continue to receive the consolidated rates, updated each year using the MEI, unless the newly qualified FQHC has a material change in the scope of services provided. A prospective rate shall be calculated after the provider has submitted a Medicaid cost report for two full FQHC fiscal years, according to the methodology described above.

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Beginning in Federal fiscal year 2002 (October 1, 2001), and for each calendar year thereafter, the per visit payment rate is increased by the percentage increase in the MEI for primary care services, and adjusted for any increase or decrease in the scope of services furnished by the FQHC.

The MEI will be applied January 1st of each year.

A change in the scope of services shall occur if: (1) the center has made a material change in services through the addition or deletion of any service that meets the definition of FQHC services as provided in 1905(a)(2)(B) and 1905(a)(2)(C); and, (2) the service is included as a covered service under the Medicaid State Plan. A change in the scope of services is defined as adding a new service into the current per diem service base, or removing a service that is in the existing service base. A change in the cost of a service is not considered in and of itself a change in the scope of services.

The FQHC will be responsible for notifying the Department at the time there is a change in the FQHC's scope of services. The FQHC will supply the needed documentation to the Department for any adjustments in the rate resulting from any increases or decreases in the scope of services. The documentation must consist of two full years of Medicaid cost reports, and must be provided to the Department within 150 days from the FQHC's fiscal year end to be considered in the calculation of the adjusted rate. Upon the Department's determination of a change in the scope of services, the effective date for the new rate will be 30 days after receipt of the Medicare cost reports.

3. Other Lab and X-Ray

See Physician Services—Section 5 of this attachment.

4. Specialized Surgical Hospitals

Effective August 2, 2016, Specialized Surgical Hospitals will be reimbursed on the same basis as Medicare Prospective Payment System hospitals for outpatient services.

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4a. Nursing Facility Services

See Attachment 4.19-D.

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PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

4b. Early and Periodic Screening, Diagnosis, and Treatment (EPSDT)

1. Nutrition items. Payment for medically necessary items is based on a fee schedule developed by the State agency. The agency's rates were set as of July 1, 2012, and are effective for services on or after that date. The agency-developed fee schedule is based upon review of the most recent year's paid claims information, national coding lists, and documentation submitted by providers and associated medical professional organizations. All governmental and private providers will be reimbursed according to the same fee schedule published on the agency's website <http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx>
2. Orthodontic services. The agency's rates were set as of July 1, 2012, and are effective for services on or after that date. The agency-developed fee schedule is based upon review of the most recent year's paid claims information, national coding lists, and documentation submitted by providers and associated medical professional organizations. The fee schedule is published on the agency's website <http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx>. Except as otherwise noted in the plan, the agency-developed fee schedule rates are the same for all governmental and private providers.

Payments for orthodontia are made in installments as follows: first payment of one third of the total allowance is made at the time of the installation of the hardware; the second payment is one third of the total allowance and made after 12 months of treatment and the provider has verified the patient is in active treatment; and the final one third of the total allowance is paid following notification from the provider that full treatment has been rendered.

3. Private duty nursing. Payment for extended nursing services is at an hourly rate based on a fee schedule developed by the State agency. The agency's rates were set as of July 1, 2012, and are effective for services on or after that date. The agency-developed fee schedule is based upon a review of the most recent year's paid claims information, national coding lists, and documentation submitted by providers and associated medical professional organizations. All governmental and private providers will be reimbursed according to the same fee schedule published on the agency's website <http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx>.

Payments for the above services are based upon the appropriate published fee schedule unless a lower amount is billed by the provider.

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Page 5 was deleted without replacement by TN# 06-02, approved October 23, 2007.

TN # 06-2
SUPERSEDES
TN # 01-3

Approval Date 10/23/07

Effective Date 7/01/06

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND
SERVICES

5a. Physician Services

The rates below are effective for services on or after the date listed on the Attachment 4.19-B Introduction Page, Page 1.

- a. Services other than clinical diagnostic laboratory tests.
 1. Payment will be the lower of the provider's usual and customary charge or the amount established on the State agency's fee schedule published on the agency's website <https://dss.sd.gov/medicaid/providers/feeschedules/dss/>. If there is no fee established, the payment will be 40% of the provider's usual and customary charge.
 2. If there is no fee established for supplies furnished incidental to the professional services of a physician, the payment will be paid 90% of the provider's usual and customary charge.
- b. Anesthesia services. Payment will be the lower of the provider's usual and customary charge or the amount established on the State agency's fee schedule published on the agency's website <https://dss.sd.gov/medicaid/providers/feeschedules/dss/>.
- c. Clinical diagnostic laboratory tests.
 1. Payment will be the lower of the provider's usual and customary charge or the amount established on the State agency's fee schedule published on the agency's website <https://dss.sd.gov/medicaid/providers/feeschedules/dss/>. The established fee will not exceed Medicare's fee on a per test basis as required by Section 1903(i)(7) of the Social Security Act.
 2. Tests for which Medicare has not established a fee will be paid the lower of a fee established by the State agency or priced by report. The reimbursement rate for these services is determined using one of a variety of different reimbursement methodologies. The reimbursement rates for services priced by report are determined using a similar service, product, or procedure that has an established rate, or a percentage of the provider's usual and customary charge. The specific methodology depends on the service, product, or procedure performed.
- d. Payment for physician services provided via telemedicine is made as follows:
 1. Only providers eligible to enroll in the Medicaid program are eligible for payment of telemedicine services. Providers must bill the appropriate CPT procedure code with the modifier "GT" indicating the services were provided via telemedicine.
 2. Originating sites, the physical location of the recipient at the time the service is provided, will be paid the lower of the provider's usual and customary charge or the amount established on the State agency's fee schedule published on the agency's website <https://dss.sd.gov/medicaid/providers/feeschedules/dss/>. All originating sites must be an enrolled provider. Approved originating sites are:
 - i. Office of a physician or practitioner.
 - ii. Outpatient Hospitals.
 - iii. Critical Access Hospitals.
 - iv. Rural Health Clinics. The facility fee is not considered an encounter and will be reimbursed according to the fee schedule.
 - v. Federally Qualified Health Centers. The facility fee is not considered an encounter and will be reimbursed according to the fee schedule.
 - vi. Indian Health Service (IHS) Clinics. The facility fee is not considered an encounter and will be reimbursed according to the fee schedule.
 - vii. Community Mental Health Centers.
 - viii. Substance Use Disorder Agencies.
 - ix. Nursing Facilities.
 - x. School Districts.
 3. Distant sites, the physical location of the practitioner providing the service, will be paid the lower of the provider's usual and customary charge or the amount established on the State agency's fee schedule published on the agency's website <https://dss.sd.gov/medicaid/providers/feeschedules/dss/>.

Increased Primary Care Service Payment 42 CFR 447.405, 447.410, 447.415

Attachment 4.19-B: Physician Services 42 CFR 447.405 Amount of Minimum Payment

The state reimburses for services provided by physicians meeting the requirements of 42 CFR 447.400(a) at the Medicare Part B fee schedule rate using the Medicare physician fee schedule rate in effect in calendar years 2013 and 2014 or, if greater, the payment rates that would be applicable in those years using the calendar year 2009 Medicare physician fee schedule conversion factor. If there is no applicable rate established by Medicare, the state uses the rate specified in a fee schedule established and announced by CMS.

- The rates reflect all Medicare site of service and locality adjustments.
- The rates do not reflect site of service adjustments, but reimburse at the Medicare rate applicable to the office setting. South Dakota has only one Medicare GPCI and will annually adjust the fee schedule associated with this SPA to account for changes in Medicare rates.
- The rates reflect all Medicare geographic/locality adjustments.
- The rates are statewide and reflect the mean value over all counties for each of the specified evaluation and management and vaccine billing codes.

The following formula was used to determine the mean rate over all counties for each code:

Method of Payment

- The state has adjusted its fee schedule to make payment at the higher rate for each E&M and vaccine administration code.
- The state reimburses a supplemental amount equal to the difference between the Medicaid rate in effect on July 1, 2009 and the minimum payment required at 42 CFR 447.405.

Supplemental payment is made: monthly quarterly

Primary Care Services Affected by this Payment Methodology

- This payment applies to all Evaluation and Management (E&M) billing codes 99201 through 99499.
- The State did not make payment as of July 1, 2009 for the following codes and will not make payment for those codes under this SPA (specify codes).

99206; 99207; 99208; 99209; 99210; 99216; 99224; 99225; 99226; 99227; 99228; 99229; 99230; 99237; 99240; 99246; 99247; 99248; 99249; 99250; 99256; 99257; 99258; 99259; 99260; 99261; 99262; 99263; 99264; 99265; 99266; 99267; 99268; 99269; 99270; 99271; 99272; 99273; 99274; 99275; 99276; 99277; 99278; 99279; 99280; 99286; 99287; 99289; 99297; 99301; 99302; 99303; 99311; 99312; 99313; 99314; 99317; 99319; 99320; 99321; 99322; 99323; 99329; 99330; 99331; 99332; 99333; 99338; 99339; 99340; 99346; 99351; 99352; 99353; 99359; 99361; 99362; 99363; 99364; 99365; 99366; 99367; 99368; 99369; 99370; 99371; 99372; 99373; 99374; 99375; 99376; 99377; 99378; 99379; 99380; 99388; 99389; 99390; 99398; 99399; 99400; 99401; 99402; 99403; 99404; 99405; 99406; 99407; 99408; 99409; 99410; 99411; 99412; 99413; 99414; 99415; 99416; 99417; 99418; 99419; 99420; 99421; 99422; 99423; 99424; 99425; 99426; 99427; 99428; 99429; 99430; 99434; 99437; 99438; 99439; 99441; 99442; 99443; 99444; 99445; 99446; 99447; 99448; 99449; 99450; 99451; 99452; 99453; 99454; 99455; 99456; 99457; 99458; 99459; 99460; 99461; 99462; 99463; 99468; 99469; 99470; 99471; 99472; 99473; 99474; 99478; 99479; 99480; 99481; 99482; 99483; 99484; 99485; 99486; 99487; 99488; 99489; 99490; 99491; 99492; 99493; 99494; 99495; 99496; 99497; 99498; 99499; 90461

TN # 13-001
Supersedes
TN # New

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(Primary Care Services Affected by this Payment Methodology – continued)

- The state will make payment under this SPA for the following codes which have been added to the fee schedule since July 1, 2009 (specify code and date added).

South Dakota will reimburse eligible providers according to the CMS approved enhanced primary care service fee schedule effective January 1, 2013.

99344 – 10/18/2010
 99345 – 10/18/2010
 99350 – 10/18/2010
 99464 – 10/18/2010
 99465 – 10/18/2010
 99466 – 10/18/2010
 99467 – 10/18/2010
 99475 – 10/18/2010
 99476 – 10/18/2010
 99477 – 10/18/2010

Physician Services – Vaccine Administration

For calendar years (CYs) 2013 and 2014, the state reimburses vaccine administration services furnished by physicians meeting the requirements of 42 CFR 447.400(a) at the lesser of the state regional maximum administration fee set by the Vaccines for Children (VFC) program or the Medicare rate in effect in CYs 2013 and 2014 or, if higher, the rate using the CY 2009 conversion factor.

- Medicare Physician Fee Schedule rate
 State regional maximum administration fee set by the Vaccines for Children program
 Rate using the CY 2009 conversion factor

Documentation of Vaccine Administration Rates in Effect 7/1/09

The state uses one of the following methodologies to impute the payment rate in effect at 7/1/09 for code 90460, which was introduced in 2011 as a successor billing code for billing codes 90465 and 90471.

- The imputed rate in effect at 7/1/09 for code 90460 equals the rate in effect at 7/1/09 for billing codes 90465 and 90471 times their respective claims volume for a 12 month period which encompasses July 1, 2009. Using this methodology, the imputed rate in effect for code 90460 at 7/1/09 is: \$9.09.

- A single rate was in effect on 7/1/09 for all vaccine administration services, regardless of billing code. This 2009 rate is: _____.

- Alternative methodology to calculate the vaccine administration rate in effect 7/1/09: _____.

Note: This section contains a description of the state's methodology and specifies the affected billing codes.

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Supersedes

TN # New

Effective Date of Payment

E & M Services

This reimbursement methodology applies to services delivered on and after January 1, 2013, ending on 12/31/2014 but not prior to December 31, 2014. All rates are published at <https://dss.sd.gov/sdmedx/enhancedpcppayment.aspx>

Vaccine Administration

This reimbursement methodology applies to services delivered on and after January 1, 2013, ending on 12/31/14 but not prior to December 31, 2014. All rates are published at <https://dss.sd.gov/sdmedx/enhancedpcppayment.aspx>

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 48 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.

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TN # New

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ATTACHMENT 4.19-B
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5b. Medical Services by a Dentist

See Section 5a of this attachment.

ATTACHMENT 4.19-B
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6a. Podiatrist Services

Payment will be made following the provisions of Section 5 of this attachment.

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6b. Optometrist Services

Payment will be based on a fee schedule established by the State agency. This fee schedule covers all payable procedures and has been negotiated with representatives of the Optometric Association in South Dakota.

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6c. Chiropractic Services

Payment for manual manipulation of the spine will be at a fee established in negotiation with representatives of the Chiropractic Association and intermittently adjusted as approved by the State Legislature during the appropriation process.

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6d. Other Practitioner Services

1. Physician Assistants. Reimbursement will be 90% of the fee established under Physician Services, Section 5 of this attachment.
2. Nurse Practitioners. Reimbursement will be 90% of the fee established under Physician Services, Section 5 of this attachment.
3. Certified Registered Nurse Anesthetists. Payment will be made following the anesthesia service provisions of Section 5 of this attachment.
4. Nursing Services. Payment will be based on reasonable and allowable costs for the service provided.
5. Independent Mental Health Practitioners. Payment will be the lower of the provider's usual and customary charge or the amount established on the State agency's fee schedule website <https://dss.sd.gov/medicaid/providers/feeschedules/dss/>. The rates are effective for services on or after the date listed on the Attachment 4.19-B Introduction Page.
6. Nutritionist and Dietician Services. Payment will be the lower of the provider's usual and customary charge or the amount established on the State agency's fee schedule website <https://dss.sd.gov/medicaid/providers/feeschedules/dss/>. The rates are effective for services on or after the date listed on the Attachment 4.19-B Introduction Page.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

7. Home Health Services

a, b, d. Home Health Agencies.

Payment will be made according to a fee schedule established by the State agency. The fee schedule was set following negotiations with representatives from the Home Health Agencies and will be adjusted as authorized by the South Dakota Legislature.

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7c. Durable Medical Equipment

Payment will be the lower of the provider's usual and customary charge or the amount established on the State agency's fee schedule published on the agency's website <http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx>. The rates are effective for services on or after the date listed on the Attachment 4.19B Introduction Page, Page 1.

DME subject to the limit described in Section 1903(i)(27) of the Social Security Act are reimbursed at the lesser of the provider's usual and customary amount or 90% of the South Dakota rural rate as published by Medicare effective January of 2019 and then January of each year starting after 2019. If no rural rate exists, items subject to this limit will be reimbursed at the lesser of the provider's usual and customary amount or 90% of the South Dakota non-rural rate as published by Medicare effective January of 2019 and then January of each year starting after 2019.

DME items not subject to Section 1903(i)(27) of the Social Security Act, and supplies are reimbursed at the lesser of the provider's usual and customary amount or the amount established on the State agency's fee schedule. If no fee is established on the state's fee schedule, payment will be 75 percent of the provider's usual and customary charge.

Reimbursement for rental items are reimbursed at the lesser of the provider's usual and customary amount or the amount established on the State agency's fee schedule. Rent to purchase equipment is considered purchased when 12 rental payments have been made without a break in the rental of 3 or more consecutive months. A new rental period begins following a break of 3 or more consecutive months. Items considered a continuous rental by the department are identified on the fee schedule.

Payment for equipment maintenance and repairs is the lesser of the provider's usual and customary charge or the purchase price of a new piece of equipment. Purchase price is established according to this section.

Payment for supplies necessary for the effective use or proper functioning of covered medical equipment are reimbursed at the lesser of 90% of the provider's usual and customary charge or the amount established on the State agency's fee schedule.

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8. Private Duty Nursing

Not provided.

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PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

9. Clinic Services

Payments for clinic services will be the same for all public and private providers by type of clinic service and are further subject to these limitations for specific types of clinic services:

a. Family planning clinics.

Payment for services will be the lowest of usual and customary charges or the amount established on the State agency's website <http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx>. The State agency's rates are effective for services on or after July 1, 2016.

b. Ambulatory surgical centers.

Payments for payable procedures will be based upon group assignments. Payment rates will be listed on the agency's website <http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx>. The State agency's rates are effective for services on or after July 1, 2016. Payable procedures include: nursing, technician, and related services; patient's use of facilities; drugs, biologicals, surgical dressings, supplies, splints, casts, and appliances and equipment directly related to the surgical procedures; diagnostic or therapeutic services or items directly related to the surgical procedures; administrative and recordkeeping services; housekeeping items and supplies; and materials for anesthesia. Items not reimbursable include those payable under other provisions of State Plan, such as physician services, laboratory services, X-ray and diagnostic procedures, prosthetic devices, ambulance services, orthotic devices, and durable medical equipment for use in the patient's home, except for those payable as directly related to the surgical procedures. Room and board are not eligible for reimbursement.

c. Endstage renal disease clinics.

Payments for services will be the lowest of usual and customary charges or the amount established on the State agency's website <http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx>. The State agency's rates are effective for services on or after July 1, 2016.

d. Indian Health Service clinics.

Payments to Indian Health Service Clinics will be per visit and based upon the approved rates published each year in the *Federal Register* by the Department of Health and Human Services, Indian Health Service, under the authority of sections 321(a) and 322(b) of the Public Health Service Act (42 U.S.C. 248 and 249(b)), Public Law 83-568 (42 U.S.C. 2001(a)), and the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.). The State agency will make payments for visits of the same type of service on the same day at the same provider location only if the services provided are different or if they have different diagnosis codes.

e. Maternal Child Health Clinics.

Payment for services will be at the lowest of usual and customary charges or the amount established on the State agency's website <http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx>. The State agency's rates are effective for services on or after July 1, 2016.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

10. Dental Services

The agency will reimburse dental services at the lesser of the established fee schedule rate or the provider's usual and customary charge. The fee schedule is published on the agency's website at <https://dss.sd.gov/medicaid/providers/feeschedules/>. Unless otherwise noted in the plan the rates are the same for all governmental and private providers.

The agency pays an enhanced rate for select services for children birth to age 6 and for services for developmentally disabled patients. The enhanced rates are published on the fee schedule on the agency's website at <https://dss.sd.gov/medicaid/providers/feeschedules/>. The sum of the regular fee schedule amount and the enhanced payment may not exceed the provider's usual and customary fee. In order to qualify for the enhanced rates providers must meet requirements established by the agency.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

11a. Physical Therapy

Unless a lower amount is billed by the provider, payment for physical therapy services will be based upon a State-developed fee schedule. The State agency will publish the fee schedule, along with any subsequent adjustments to it, on the agency's website. The fee schedule's rates are the same for all public and private providers of physical therapy services.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

11b. Occupational Therapy

Unless a lower amount is billed by the provider, payment for occupational therapy services will be based upon a State-developed fee schedule. The State agency will publish the fee schedule, along with any subsequent adjustments to it, on the agency's website. The fee schedule's rates are the same for all public and private providers of occupational therapy services.

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PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

11c. Services for Individuals with Speech, Hearing, or Language Disorders

Unless a lower amount is billed by the provider, payment amounts will be based upon a schedule of fees for each service established by the State agency and published on the agency's website. The fee schedule's specified payment amounts will be the same for all public and private providers. Any subsequent adjustments to the fee schedule will be published on the website.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

12a. Prescription Drugs

1. The State agency will reimburse prescribed drugs, including covered non-legend drugs that are prescribed by an authorized prescriber and legend drugs prescribed by an authorized prescriber, at the lowest of the following:
 - i. The pharmacy's usual and customary charge (U&C) to the general public for the drug; or
 - ii. South Dakota Medicaid's established State Maximum Allowable Cost (SMAC) for that drug plus the professional dispensing fee. (South Dakota Medicaid's SMAC is acquisition cost based and includes all types of medications, including specialty and hemophilia products); or
 - iii. The current National Average Drug Acquisition Cost (NADAC) for that drug plus the professional dispensing fee; or
 - iv. If there is no NADAC for the drug, the current wholesale acquisition cost (WAC) of the drug plus the professional dispensing fee.

In compliance with 42 CFR 447.512 and 447.514, reimbursement for drugs subject to Federal Upper Limits (FULs) may not exceed FULs in the aggregate.

2. All Indian Health Service and tribal pharmacies are reimbursed at the encounter rate except for high cost drugs. The logic described above and below does not apply to prescription drugs reimbursed at the encounter rate. High cost drugs are reimbursed according to the Federal Supply Schedule logic in item 3 on this page. A "high cost drug" is a drug with an acquisition cost that exceeds the encounter rate.
3. Federal Supply Schedule (FSS) purchased drugs are required to be billed and reimbursed at no more than their actual acquisition cost plus the professional dispensing fee.
4. Drugs not dispensed by a retail community pharmacy (such as a long-term care facility, or primarily through the mail) will be reimbursed by using the logic described above and below.
5. Clotting factor from specialty pharmacies, hemophilia treatment centers (HTC), and centers of excellence will be reimbursed through the logic described above and below. That is, in addition to the professional dispensing fee, they will be reimbursed the lowest of the U&C, SMAC, NADAC, or WAC if no NADAC price exists.
6. Drugs acquired at nominal price (outside of 340B or FSS) will be reimbursed at no more than the actual acquisition price plus the professional dispensing fee while using the logic described above and below.

ATTACHMENT 4.19-B
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7. South Dakota Medicaid requires physician administered drugs to be billed by the facility in which it was administered. Payment for physician administered drugs is limited to the lesser of the provider's usual and customary charge or the amount established on the State agency's fee schedule published on the agency's website. South Dakota Medicaid's fees are updated quarterly to 100 percent of the rates listed on Medicare's Part B Drug and Biological Average Sales Price Quarterly Payment file. If Medicare does not have an established fee, South Dakota Medicaid may establish a fee using other methods such as other state Medicaid agency. rates or billed charges. If South Dakota Medicaid does not establish a fee, the payment is limited to 40 percent of the provider's U&C.
8. Where indicated that South Dakota Medicaid will reimburse a professional dispensing fee, the professional dispensing fee is \$10.55.
9. Drugs acquired through the federal 340B drug program and dispensed by covered entities as described in section 1927(a)(5)(B) of the Social Security Act are not covered.
10. Drugs acquired through the federal 340B drug pricing program and dispensed by 340B contract pharmacies are not covered.
11. Investigational drugs are not covered.
12. In the event that the above methodology is projected to result in expenditures that exceed the amount appropriated by the state legislature for the current state fiscal year the state may submit a state plan amendment to revise the reimbursement methodology.

SUPPLEMENT TO ATTACHMENT 3.1-A

12b. Dentures

Dentures are covered according to the following criteria and limits:

- a. Immediate dentures and initial placement of all initial complete dentures do not require prior authorization. Prior authorization is required for replacement of dentures within 5 years of initial placement;
- b. Initial and replacement of partial dentures are limited to recipients with no more than eight posterior teeth in occlusion (not limited to natural teeth). Replacement of a recipient's partial dentures is covered once in a five-year period;
- c. Denture relines and rebases, for either complete or partial dentures, are covered once in a five-year period;
- d. Adjustments of complete or partial dentures are limited to two adjustments per denture per 12-month period and only after six months have elapsed since initial placement of denture or partial denture;
- e. Interim prostheses (flippers) are covered only once in a five-year period and if the existing denture/partial is no longer serviceable; and
- f. Tissue conditioning is only covered the recipient is eligible for rebase, reline, or new prosthesis.

All dentures, partial dentures, and interim prostheses must be billed on the date of placement.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES12c. Prosthetic Devices

The agency's rates were set as of July 1, 2012, and are effective for prosthetic devices on or after that date. The agency-developed fee schedule is based upon review of the most recent year's paid claims information, national coding lists, and documentation submitted by providers and associated medical professional organizations. The fee schedule is published on the agency's website <http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx>. Except as otherwise noted in the plan, the agency-developed fee schedule rates are the same for all governmental and private providers. Payments are based upon the published fee schedule unless the provider bills a lower amount.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

12d. Eyeglasses

Payment will be based on a fee schedule established by the State agency. The fee schedule was developed following a review of wholesale cost of lenses and frames and discussions with representatives of the Optometric Association in South Dakota. The fee schedule will be updated as authorized by the South Dakota Legislature.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

13a. Diagnostic Services

Not provided.

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13b. Screening Services

Not provided.

**ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES**

13c. Preventive Services

1. Payments for Diabetes Self-Management Training will be made to the providers and are based on an hourly rate as determined by the lesser of the established Medicaid fee schedule, the established Medicare fee schedule, or the provider's usual and customary charges. The rates are effective for services on or after the date listed on the Attachment 4.19-B Introduction Page, Page 1.
2. Payments for Community Health Workers will be made to the provider and are reimbursed the lesser of the established Medicaid fee schedule or the provider's usual and customary charges. The rates are effective for services on or after the date listed on the Attachment 4.19B Introduction Page, Page 1.

13d. Rehabilitation Services

Payment for services will be the lower of the provider's usual and customary charge or the amount established on the State agency's fee schedule published on the agency's website <http://dss.sd.gov/medicaid/providers/feeschedules/>.

1. Community Mental Health Centers (CMHCs). The rates are effective for services on or after the date listed on the Attachment 4.19B Introduction Page, Page 1. CMHC services are paid on a fee-for-service basis and are not bundled unless noted below.

The following specialized outpatient services for children services are paid via a bundled payment, which is paid at a 15-minute unit rate:

- a. Integrated assessment, evaluation, and screening;
- b. Care coordination;
- c. Individual therapy;
- d. Family education, support, and therapy; and
- e. Crisis assessment and intervention services.

The following specialized outpatient services for adults and assertive community treatment services are paid via a bundle using separate daily rates:

- a. Integrated assessment, evaluation, and screening;
- b. Crisis assessment and intervention services;
- c. Care coordination;
- d. Symptoms assessment and management, including medication monitoring and education;
- e. Individual therapy;
- f. Group therapy;
- g. Recovery support services; and
- h. Psychosocial rehabilitation services.

Any provider delivering services through a specialized outpatient services for children, specialized outpatient services for adults, or assertive community treatment services bundle will be paid through a bundled payment rate and cannot bill separately with the exception of the integrated assessment, evaluation, and screening. The integrated assessment, evaluation, and screening is separately billable when conducted by a licensed physician or psychiatrist, resident, nurse practitioner, physician assistant, registered nurse, or licensed practical nurse. Medicaid providers performing the assessment can bill for the assessment in accordance with their particular benefit category in Attachment 4.19B.

At least one of the services included in the bundle must be provided within the service payment unit in order for providers to bill the bundled rate.

The bundled rates do not include costs related to room and board or other unallowable facility costs. The state will periodically monitor the actual provision of services paid under a bundled rate to ensure that the beneficiaries receive the types, quantity, and intensity of services required to meet their medical needs and to ensure that the rates remain economic and efficient based on the services that are actually provided as part of the bundle.

2. Substance Use Disorder Agencies. The rates are effective for services on or after the date listed on the Attachment 4.19B Introduction Page.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

14. Services for Individuals Age 65 or Older in Institutions for Mental Disease

a. Inpatient Hospital.

Not provided.

b. Skilled Nursing Services.

See Attachment 4.19-D.

c. Intermediate Care Facility Services.

See Attachment 4.19-D.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

15a. Intermediate Care Facility Services

See Attachment 4.19-D.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

15b. Intermediate Care Facilities for the Mentally Retarded

See Attachment 4.19-D.

ATTACHMENT 4.19-B
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16. Inpatient Psychiatric Facility Services for Individuals Under Age 22

Payment will be at a prospective rate based upon a fee schedule established by the State agency and published on the agency's website. Payment will be the same for all public and private providers, and any subsequent adjustments to the fee schedule will be published on the website.

This page deleted without replacement by SPA 08-6, approved 10/29/09. SPA 08-6 added to 4.19-A (page 9) a description of payment methodology for psychiatric residential treatment facilities.--mz

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

17. Nurse Midwife Services

Unless a lower amount is billed by the provider, payment for nurse midwife services will be based upon a State-developed fee schedule. The State agency will publish the fee schedule, along with all subsequent adjustments to payment amounts, on the agency's website. The fee schedule rates are the same for all public and private providers of nurse midwife services.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

18. Hospice Care

Reimbursement for hospice services will be made at amounts established by the Centers for Medicare and Medicaid Services at Sections 4306, 4307, and 4308 Part 4 of the STATE MEDICAID MANUAL.

For individuals who reside in a nursing facility and elect the hospice benefit, reimbursement for room and board costs will be made as indicated in Attachment 4.19-D (14) of the State Plan.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

19. Case Management Services

- a. Supplement to 1-A to Attachment 3.1-A. Targeted case management services to adults age 18 and over who are severely and persistently mentally ill as defined by the State of South Dakota Division of Mental Health shall be paid on the basis of a prospective fee representing a 15-minute unit of service. The fee will be established for each provider following negotiations between the Department of Human Services and the provider.
- b. Supplement 2 to Attachment 3.1-A. Targeted case management services to youth who are transitioning out of residential placement shall be paid on the basis of a prospective fee representing a 15-minute unit of service. The fee is established by the Office of Medical Services and is based on reasonable and allowable costs incurred by the facility for providing case management services.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

20. Extended Services to Pregnant Women

See payment methods for the specific type of service provided.

ATTACHMENT 4.19-B
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21. Ambulatory Prenatal Care for Pregnant Women Furnished During a Presumptive Eligibility Period by a Qualified Provider

Not provided.

ATTACHMENT 4.19-B
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22. Respiratory Care Services

Not provided.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

23. Pediatric or Family Nurse Practitioner Services

Reimbursement will be 90% of the fee established under Physician Services, Section 5 of this Attachment.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

24. Any Other Medical Care and Other Type of Remedial Care Recognized Under State Law, Specified by the Secretary

a. Transportation.

The rates for transportation services paid based on a fee schedule are effective on the date listed on Attachment 4.19-B Introduction Page, Page 1. Reimbursement for air ambulance, ground ambulance, secure medical transportation, and community transportation is the lower of the provider's usual and customary charge or the amount established on the State agency's fee schedule. Mileage incurred by a recipient or volunteer driver is reimbursed in accordance with the rate on the fee schedule. Meals are reimbursed in accordance with the rate on the fee schedule. Lodging is the lower of the actual incurred cost or the fee schedule rate. The fee schedule is published on the agency's website at <https://dss.sd.gov/medicaid/providers/feeschedules/dss/>. Tickets or fares for commercial carriers arranged for and purchased by the State at the market cost.

b. Services provided in religious non-medical home health care institutions.

Not provided.

c. Nursing facility services for patients under 21 years of age.

See Attachment 4.19-D.

d. Emergency hospital services.

See Outpatient Hospital Services or Attachment 4.19-A.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

25. Personal Care Services

The rates for personal care services paid based on a fee schedule are effective on the date listed on Attachment 4.19-B Introduction Page, Page 1. Payment for services is the lower of the provider's usual and customary charge or the amount established on the State agency's fee schedule. The fee schedule is published on the agency's website at <https://dss.sd.gov/medicaid/providers/feeschedules/dss/>.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

26.a. Licensed or Otherwise State-Approved Freestanding Birth Centers

The State agency will pay the birth center a facility fee for covered services published on the agency's website <http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx>. The published fee is effective March 1, 2012. The agency will reimburse all governmental and private providers based on the same facility fee published on the agency's website. Payments will be based upon the appropriate published fee unless a lower amount is billed by the birth center.

26.b. Licensed or Otherwise State-Recognized Covered Professionals Providing Services in the Freestanding Birth Center

Payments for covered professionals' services in freestanding birth centers are fee-for-service and based on a fee schedule developed by the State agency and published on the agency's website at <http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx>. The agency will use the fees published under "Physician Services" on the website. The agency's rates were last updated July 1, 2011, and are effective for services on or after that date. The agency-developed fees are based upon review of the most recent year's paid claims information for such services, national coding lists, and documentation submitted by providers and associated medical professional organizations with any adjustments published on the website. The agency will reimburse all governmental and private providers according to the same fee schedule. Payments will be at the appropriate published fee schedule amount unless a lower amount is billed by the provider.

ATTACHMENT 4.19-B
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27. 1905(t) Primary Care Case Management Services

Providers participating in the Pregnancy PCCM Program are eligible for payments in addition to their regular fee-for-service reimbursement for covered state plan services.

Care Coordination Payments

1. A per member per month (PMPM) payment for care coordination activities for recipients attributed to the provider's caseload will be made to participating Pregnancy Program providers. The following services are included in the care coordination PMPM payment:
 - a. Health education and promotion;
 - b. Health system and resource navigation;
 - c. Monitoring and updating a person-centered care plan;
 - d. Transitional care coordination; and
 - e. Barriers to care initiative.
2. In addition to the PMPM payment, participating providers will be reimbursed on a fee-for-service basis for the following activities that are essential to informing and ensuring impactful coordination of the recipient's care: completion of a social determinant of health screening, completion of the recipient's person-centered care plan, completion of a transition plan at discharge from the PCCM program.

Value-Added Payments

In accordance with the goals of the program to increase utilization of prenatal and postpartum care, participating providers will be eligible for the following value-added payments:

1. A payment for each recipient attributed to the provider who receives adequate or adequate plus prenatal care as indicated by the Kotelchuck Index in accordance with guidance published in the Pregnancy Program provider manual at https://dss.sd.gov/docs/medicaid/providers/billingmanuals/Care_Management/Pregnancy_Program.pdf as of April 1, 2024.
2. A payment for each recipient who is attributed to the provider and completes a comprehensive postpartum visit with the provider.

Providers will submit claims for the value-added payments upon meeting the criteria. South Dakota Medicaid will review value-based payments for accuracy annually. Reports identifying progress towards meeting program objectives will be shared annually with participating providers.

The fees for these services are listed on the State agency's fee schedule published on the agency's website at <https://dss.sd.gov/medicaid/providers/feeschedules/>.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

Payment Adjustment for Other Provider-Preventable Conditions

The State Medicaid Agency meets the requirements of 42 CFR Parts 434, 438, and 447 Subpart A, and sections 1902(a)(4), 1902(a)(6), and 1903 of the Act with respect to non-payment for Other Provider-Preventable Conditions (OPPCs).

Other Provider-Preventable Conditions

The State identifies the following Other Provider-Preventable Conditions (OPPCs) for non-payment under this section of this State Plan:

- Wrong surgical or other invasive procedure performed on a patient; surgical or other invasive procedure performed on the wrong body part; surgical or other invasive procedure performed on the wrong patient.

The agency will adopt the baseline for OPPCs as described above. The following reimbursement changes will apply:

The agency will deny payment for these conditions in any health care setting or provider in this section of this State Plan. For claims submitted on or after July 1, 2012, the agency will follow the minimum CMS regulations in 42 CFR 447 and deny payment for all of the OPPCs identified in 42 CFR 447.

In compliance with 42 CFR 447.26(c), the State provides:

1. That no reduction in payment for an OPPC will be imposed on a provider when the condition defined as an OPPC for a particular patient existed prior to the initiation of treatment for that patient by that provider;
2. That reductions in provider payment will be limited to the extent that the following apply:
 - i. The identified OPPCs would otherwise result in an increase in payment.
 - ii. The agency can reasonably isolate for non-payment the portion of the payment directly related to treatment for, and related to, the OPPCs.
3. Assurance that non-payment for OPPCs does not prevent access to services for Medicaid beneficiaries.

If the individual cases are identified throughout the OPPCs implementation period, the agency will adjust reimbursements according to the methodology above. Denial of payment will be limited to the additional care required by the OPPC. The agency will review from time to time the list of OPPCs and add to the list if the agency makes a medical finding using evidence-based guidelines. In such an event, the agency will disseminate to providers, through manuals or bulletins, a current list of OPPCs pursuant to this section of this State Plan.

___ Additional OPPCs identified below:

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

1. The State makes a one-time payment to the providers referenced in South Dakota's American Rescue Plan Act Home and Community Based Services Enhanced Funding Spending Plan and that are listed in Appendix B., or could be listed in Appendix B., of the American Rescue Plan Act, State Medicaid Director Letter, SMD# 21-003 Implementation of American Rescue Plan Act of 2021 Section 9817 including:
 - a. Home Health Services
 - b. Rehabilitative Services – Community Mental Health Centers and Substance Use Disorder Agencies
 - c. Early Periodic Screening Diagnosis and Treatment, Private Duty Nursing

Providers must have provided services during the period of April 1, 2021 to December 31, 2021.

2. One-time supplemental payments will be made based on the following criteria:
 - a. Eligibility for the supplemental payment requires providers to attest to the following:
 - i. An understanding these are one-time payments;
 - ii. The payments will be used to expand, enhance, or strengthen Medicaid Home and Community Based Services as described in b.
 - b. Payment is made through a supplemental payment:
 - i. The State will make a supplemental payment to qualified providers in March 2022.
 - ii. Eighty percent of the total payment is for direct care workforce activities. Direct care workforce may include one-time compensation payments, including temporary shift differentials; a one-time compensation adjustment to direct care staff as a method of retention; other types of retention incentives such as paid family leave and paid sick leave; and activities to recruit direct care workers.
 - iii. Twenty percent of the total payment is for equipment and supplies. Equipment and supplies may include expenses related to COVID-19 related equipment, testing supplies, and infection control; telehealth equipment and assistive technology for providers; and other supplies and equipment that enhance the delivery of HCBS.
 - iv. Providers may request in writing an exception from the State to reallocate the percent of the supplemental payment that is designated for each activity. The request must include the proposed use of the funds, justification for the exception, and a report of to date use of supplemental payment funds. The State will determine whether to approve requests based on the merits of the exception request including whether granting the exception furthers the goal of expanding, enhancing, or strengthening HCBS services.
 - v. The one-time payment will equal approximately 56 percent of the claim expenditures from SFY 21.
 - vi. Providers will provide the State with a report of funds expended and for what purpose in the form and manner designated by the State.