

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
State/Territory: SOUTH DAKOTA

SECTION 4. GENERAL PROGRAM ADMINISTRATION

Citation

4.5 Medicaid Agency Fraud Detection and Investigation Program

42 CFR 455.12
AT-78-90
48 FR 3742
52 FR 48817

The Medicaid agency has established and will maintain methods, criteria, and procedures that meet all requirements of 42 CFR 455.13 through 455.21 and 455.23 for prevention and control of program fraud and abuse.

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Citation 4.5a Medicaid Agency Fraud Detection and Investigation Program

Section 1902(a)(64) of
the Act
P.L. 105-33

The Medicaid agency has established a mechanism to receive reports from beneficiaries and others and compile data concerning alleged instances of waste, fraud, and abuse relating to the operation of this title.

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Citation

4.5b Medicaid Recovery Audit Contractor Program

Section 1902(a)(42)(b)(i)
of the Social Security Act

_____ The State has established a program under which it will contract with one or more recovery audit contractors (RACs) for the purpose of identifying underpayments and overpayments of Medicaid claims under the State plan and under any waiver of the State plan.

X_____ The State is seeking an extension to the exception to establishing such program for the following reasons:

- (1) The State maintains a low rate of errors in Medicaid payments, as evidenced by the most recent PERM review; and
- (2) The State's estimate of the potential amount of payment errors to be recovered is low based in part on relatively low Medicaid enrollment and associated expenditures such that there would not be enough revenue generated to fund an adequate enough contingency fee to attract sufficient bidding attention from vendors; and
- (3) In fiscal year 2024 the State had total Medicaid and CHIP expenditures of \$1,552.71 million. For this period the State had an average monthly enrollment of 127,664 eligible recipients and a total of 140,074 eligible recipients during the fiscal year. Of these individuals 105,250 were enrolled in the Primary Care Case Management or the Health Home program.
- (4) The state requests an extension of the RAC program exception beginning June 1, 2025, through May 30, 2027.

_____ The State Medicaid agency has contracts of the type(s) listed in Section 1902(a)(42)(B)(ii)(I) of the Act. All contracts meet the requirements of the statute. RACs are consistent with the statute.

