

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

Center for Medicaid & CHIP Services

233 North Michigan Ave., Suite 600

Chicago, Illinois 60601



Financial Management Group

April 26, 2021

Laurie R. Gill, Cabinet Secretary
Department of Social Services Division of Medical Services
700 Governors Drive
Pierre, SD 57501-2291

RE: South Dakota State Plan Amendment (SPA) Transmittal Number 21-0001

Dear Ms. Gill:

We have reviewed the proposed South Dakota State Plan Amendment (SPA) to Attachment 4.19-B of your state plan, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on January 27, 2021. This plan amendment allows substance use disorder (SUD) agencies to be reimbursed an originating site fee for acting as a telemedicine originating site.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 01, 2021. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact LaJoshica (Josh) Smith via 214-767-6453 or lajoshica.smith@cms.hhs.gov.

Sincerely,

Todd McMillion

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER: SD-21-0001	2. STATE: South Dakota
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE January 1, 2021	

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN

AMENDMENT TO BE CONSIDERED AS NEW PLAN

AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447.201	7. FEDERAL BUDGET IMPACT: a. FFY 2021: \$4,356 b. FFY 2022: \$5,809
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, page 6	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-B, page 6

10. SUBJECT OF AMENDMENT:

The proposed state plan amendment allows substance use disorder agencies to be reimbursed an originating site fee for acting as a telemedicine originating site.

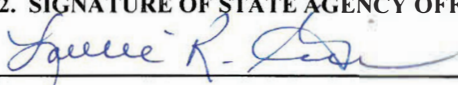
11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT

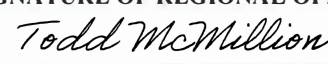
OTHER, AS SPECIFIED:

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: DEPARTMENT OF SOCIAL SERVICES DIVISION OF MEDICAL SERVICES 700 GOVERNORS DRIVE PIERRE, SD 57501-2291
13. TYPED NAME: Laurie R. Gill	
14. TITLE: Cabinet Secretary	
15. DATE SUBMITTED: January 27, 2021	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 01/27/2021	18. DATE APPROVED: 4/26/2021
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 01/01/2021	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Todd McMillion	22. TITLE: Director, Division of Reimbursement Review

23. REMARKS:

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/>.