

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, MD 21244-1850



Children and Adults Health Programs Group

December 16, 2024

Heather Petermann
Director
Division of Medical Services
700 Governors Drive
Pierre, SD 57501-2291

Dear Director Heather Petermann:

Your title XXI Children's Health Insurance Program (CHIP) State Plan Amendment (SPA) SD-24-0015, submitted on September 25, 2024, has been approved. This SPA has an effective date of July 1, 2024.

Through this SPA, South Dakota eliminates the CHIP waiting period, consistent with requirements of 42 CFR § 457.805(b). To monitor substitution of coverage as required by section 2102(b)(3)(C) of the Social Security Act, South Dakota requests information about other health insurance coverage from applicants and conducts database checks of individuals with other health insurance coverage against information about individuals applying for or receiving CHIP.

Your Project Officer is Joyce Jordan. She is available to answer your questions concerning this amendment and other CHIP-related matters. Her contact information is as follows:

Centers for Medicare & Medicaid Services
Center for Medicaid and CHIP Services
7500 Security Boulevard, Mail Stop: S2-01-16
Baltimore, MD 21244-1850
Telephone: (410) 786-3413
E-mail: Joyce.Jordan@cms.hhs.gov

If you have additional questions, please contact Meg Barry, Director, Division of State Coverage Programs, at (410) 786-1536. We look forward to continuing to work with you and your staff.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sarah deLone", is positioned above the printed name and title.

Sarah deLone
Director



CHIP Eligibility

State Name:

OMB Control Number: 0938-1148

Transmittal Number: SD - 24 - 0015

Separate Child Health Insurance Program **CS20**
Non-Financial Eligibility - Substitution of Coverage

Section 2102(b)(3)(C) of the SSA and 42 CFR 457.340(d)(3), 457.350(i), and 457.805

Substitution of Coverage

The CHIP Agency provides assurance that it has methods and policies in place to prevent the substitution of group health coverage or other commercial health insurance with public funded coverage. These policies include:

Substitution of coverage prevention strategy:

Add	Name of policy	Description	Remove
	Substitution of Coverage Prevention Strategy	<p>The CHIP Agency has specific methods and policies to prevent the program from substituting for coverage under group health plans. Persons covered by insurance providing hospital and medical services or HMO's are not eligible for benefits under SCHIP. The Department has adopted a definition of "group health plan" that includes employers, self-employed plans, employee organizations, and self insured plans that provide health care directly or otherwise.</p> <p>The Department requires that insurance information on the persons seeking medical assistance coverage be provided on the application for SCHIP as a measure to avoid substitution for group health coverage. The Department also requires that members of the SCHIP unit cooperate with the Department to determine the availability of coverage. Failure to cooperate may result in loss of eligibility for the unit.</p>	
Add		<p>The Department also maintains a database on persons with insurance coverage for persons applying for or receiving medical assistance from the Department under Medicaid, M-SCHIP or CHIP- NM. The database includes type of coverage, name and address of carrier, policy numbers, plan sponsor, premium payer, and dates of coverage. Information from this database is available to benefits specialists to explore potential group health coverage. Benefits specialists also have the opportunity to update the information on this database to keep the information up to date.</p> <p>Targeted, low-income children belonging to employees of State government in South Dakota will not be eligible for SCHIP coverage since the State provides indirect assistance for the coverage of dependents in excess of the cost to cover the employee alone, regardless of the coverage choices made by the family.</p> <p>If substitution exceeds ten (10) percent, the department will collaborate with CMS to identify a strategy to reduce substitution.</p>	Remove



CHIP Eligibility

A waiting period during which an individual is ineligible due to having dropped group health coverage. No

If the state elects to offer dental only supplemental coverage, the following assurances apply:

- The other coverage exclusion does not apply to children who are otherwise eligible for dental only supplemental coverage as provided in section 2110(b)(5) of the SSA.
- The waiting period does not apply to children eligible for dental only supplemental coverage.

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 50 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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