



South Dakota
Department of
Social Services

DEPARTMENT OF SOCIAL SERVICES

DIVISION OF MEDICAL SERVICES
700 GOVERNORS DRIVE
PIERRE, SD 57501-2291
PHONE: 605.773.3495
FAX: 605.773.5246
WEB: dss.sd.gov

June 28, 2024

Dr. Sally Abbott, MS, PhD
Regional Health Administrator
Centers for Medicare and Medicaid Services
1961 Stout Street, Room 08-148
Denver, CO 80294

Re: South Dakota Medicaid State Plan Amendment SD-24-0011

Dear Dr. Abbott:

Please find enclosed South Dakota's Medicaid State Plan Amendment (SPA) SD-24-0011. The SPA implements community mental health center (CMHC) and substance use disorder (SUD) agency rate increases appropriated by the state legislature during the 2024 legislative session.

The proposed amendment revises Attachment 4.19-B, Introduction page 1. The department requests a June 1, 2024 effective date.

The estimated expenditures are solely due to rate increases. No rates are being decreased. The federal fiscal impact associated with this SPA is estimated to be \$273,752 in FFY 2024 and \$1,827,217 in FFY 2025.

The State conducted Tribal Consultation beginning with notification on May 28, 2024. We have attached a copy of the notification sent to the Tribes. Public notice was published in the South Dakota *REGISTER*, <https://mylrc.sdlegislature.gov/api/Documents/Register/267580.pdf>, on May 28, 2024. No comments were received.

If you have any questions regarding this package, please contact Matthew Ballard, Deputy Director of the Division of Medical Services, 700 Governors Drive, Pierre, SD 57501-2291, e-mail Matthew.Ballard@state.sd.us, or telephone (605) 773-3495.

Sincerely,

A handwritten signature in black ink, appearing to read 'Heather Petermann', written in a cursive style.

Heather Petermann
Director

CC: Matt Althoff, Cabinet Secretary

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2. STATE

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX

XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

5. FEDERAL STATUTE/REGULATION CITATION

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY _____ \$ _____

b. FFY _____ \$ _____

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

9. SUBJECT OF AMENDMENT

10. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT
COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL

Heather Petermann

12. TYPED NAME

13. TITLE

14. DATE SUBMITTED

15. RETURN TO

FOR CMS USE ONLY

16. DATE RECEIVED

17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

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, 2024
Substance Use Disorder Agencies	Attachment 4.19-B, Page 26	June 1, 2024 *
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.

Hericks, Renae

From: DSS Medical Services <DSSMedicalServices@STATE.SD.US>
Sent: Tuesday, May 28, 2024 9:53 AM
To: DSSMEDICAIDTRIBAL@LISTSERV.SD.GOV
Subject: State Plan Amendment - Behavioral Health Inflationary Increase SD-24-0011
Attachments: SD 24-0011 SPA Package.pdf

Good morning,

The South Dakota Department of Social Services intends to make changes to the South Dakota Medicaid State Plan to implement community mental health center (CMHC) and substance use disorder (SUD) agency rate increases appropriated by the state legislature during the 2024 legislative session effective June 1, 2024.

Medicaid CMHC and SUD Agency rates will be updated to the target rate methodology that was established by the rate workgroup, which included behavioral health providers and the Department of Social Services Division of Finance and Division of Behavioral Health. The updated fee schedules will be posted by June 1, 2024 on the department's website at: <http://dss.sd.gov/medicaid/providers/feeschedules/dss/>. South Dakota Medicaid providers should continue to submit claims and bill South Dakota Medicaid as they did prior to June 1, 2024. Fee schedules are the maximum allowable reimbursement amount; per ARSD 67:16:01:09 payment for services is limited to the provider's usual and customary charge.

The proposed amendment revises Attachment 4.19-B, Introduction page 1. The department intends to make this SPA effective June 1, 2024.

The department estimates the fiscal impact will be \$183,053 in State funds and \$273,752 in Federal funds, totaling \$456,804 in Federal Fiscal Year 2024 (June 1, 2024 to September 30, 2024) and \$732,211 in State funds and \$1,095,006 in Federal funds, totaling \$1,827,217 in Federal Fiscal Year 2025 (October 1, 2024 to September 2025).

The SPA is available to view on the department's website at <http://dss.sd.gov/medicaid/medicaidstateplan.aspx>. Copies of the proposed SPA pages are also available at the Department of Social Services, Division of Medical Services. Written requests for a copy of these changes, and corresponding comments, may be emailed to MedicaidSPA@state.sd.us or sent to:

DIVISION OF MEDICAL SERVICES
DEPARTMENT OF SOCIAL SERVICES
700 GOVERNORS DRIVE
PIERRE, SD 57501-2291

The public comment period will start May 28, 2024, and end June 28, 2024.

Sincerely,

South Dakota Medicaid
Department of Social Services
700 Governors Drive
Pierre, SD 57501
In-State: 1-800-452-7691
Out-of-State 605-945-5006



This message is being sent by or on behalf of the South Dakota Department of Social Services. It is intended exclusively for the individual or entity to which it is addressed. This communication may contain information that is proprietary, attorney-client privileged, confidential, or otherwise legally exempt from disclosure. If you are not the named addressee, you are not authorized to read, print, retain, copy, or disseminate this message or any part of it. If you have received this message in error, please notify the sender immediately by telephone at (605) 773-3495 or by reply transmission by e-mail, and delete all copies of the message.

The Department of Social Services does not exclude, deny benefits to, or otherwise discriminate against any person on the basis of actual or perceived race, color, religion, national origin, sex, age, gender identity, sexual orientation or disability in admission or access to, or treatment or employment in its programs, activities, or services. For more information about this policy or to file a Discrimination Complaint you may contact: Discrimination Coordinator, Director of DSS Division of Legal Services, 700 Governor's Drive, Pierre SD 57501, 605-773-3305.

[Access the DSSMEDICAIDTRIBAL Home Page and Archives](#)

[Unsubscribe from the DSSMEDICAIDTRIBAL List](#)

Medicaid State Plan Amendment Proposal

Transmittal Number: SD-24-0011

Effective Date: June 1, 2024

Brief Description: This State Plan Amendment implements community mental health center (CMHC) and substance use disorder (SUD) agency rate increases appropriated by the state legislature during the 2024 legislative session effective June 1, 2024.

Area of State Plan Affected: Attachment 4.19-B

Page(s) of State Plan Affected: Attachment 4.19-B, Introduction page 1

Estimate of Fiscal Impact, if Any: SFY24: \$456,804
 SFY25: \$1,827,217

Reason for Amendment: Implement rate increases appropriated by the state legislature.



South Dakota
Department of
Social Services

DEPARTMENT OF SOCIAL SERVICES

DIVISION OF MEDICAL SERVICES
700 GOVERNORS DRIVE
PIERRE, SD 57501-2291
PHONE: 605.773.3495
FAX: 605.773.5246
WEB: dss.sd.gov

May 28, 2024

RE: South Dakota Medicaid State Plan Amendment #SD-24-0011

The South Dakota Department of Social Services intends to make changes to the South Dakota Medicaid State Plan to implement community mental health center (CMHC) and substance use disorder (SUD) agency rate increases appropriated by the state legislature during the 2024 legislative session effective June 1, 2024.

Medicaid CMHC and SUD Agency rates will be updated to the target rate methodology that was established by the rate workgroup, which included behavioral health providers and the Department of Social Services Division of Finance and Division of Behavioral Health. The updated fee schedules will be posted by June 1, 2024 on the department's website at:

<http://dss.sd.gov/medicaid/providers/feeschedules/dss/>. South Dakota Medicaid providers should continue to submit claims and bill South Dakota Medicaid as they did prior to June 1, 2024. Fee schedules are the maximum allowable reimbursement amount; per ARSD 67:16:01:09 payment for services is limited to the provider's usual and customary charge.

The proposed amendment revises Attachment 4.19-B, Introduction page 1. The department intends to make this SPA effective June 1, 2024.

The department estimates the fiscal impact will be \$183,053 in State funds and \$273,752 in Federal funds, totaling \$456,804 in Federal Fiscal Year 2024 (June 1, 2024 to September 30, 2024) and \$732,211 in State funds and \$1,095,006 in Federal funds, totaling \$1,827,217 in Federal Fiscal Year 2025 (October 1, 2024 to September 2025).

The SPA is available to view on the department's website at <http://dss.sd.gov/medicaid/medicaidstateplan.aspx>. Copies of the proposed SPA pages are also available at the Department of Social Services, Division of Medical Services. Written requests for a copy of these changes, and corresponding comments, may be emailed to MedicaidSPA@state.sd.us or sent to:

DIVISION OF MEDICAL SERVICES
DEPARTMENT OF SOCIAL SERVICES
700 GOVERNORS DRIVE
PIERRE, SD 57501-2291

The public comment period will start May 28, 2024, and end June 28, 2024.

Sincerely,

Matthew Ballard
Deputy Director
Division of Medical Services
South Dakota Department of Social Services

CC: Matt Althoff, Cabinet Secretary
Heather Petermann, Director



SOUTH DAKOTA REGISTER

Published weekly by the Legislative Research Council

Volume 50

Tuesday, 8:00 a.m., May 28, 2024

FILINGS WITH THE LEGISLATIVE RESEARCH COUNCIL

Notice of Proposed Rules

Date in parentheses indicates when rules were filed with the Legislative Research Council.

Copies of proposed rules may be obtained for no charge at <https://rules.sd.gov> or from the agency directly.

South Dakota Board of Physical Therapy (Department of Health): (May 21, 2024) intends to amend rules to update the activities that meet continuing education requirements and update the waiver of continuing education requirements. The general authority for these rules, as cited by the board, is SDCL [36-10-36](#).

A public hearing at which persons may present amendments, data, opinions, and arguments for or against the proposed rules will be held at the South Dakota Board of Physical Therapy Office, 521 South 32nd Street, Suite B, Spearfish, South Dakota, on August 20, 2024, at 11:00 a.m. (MT). Interested persons may also attend the public hearing remotely, via videoconference, through Microsoft Teams at the following link: https://teams.microsoft.com/l/meetup-join/19%3ameeting_NDNkZ-GEzYWUtY2Q-GEzYWUtY2Q1YS00MGI5LWI5ZTUtODY3MjViMGE5YzQ4%40thread.v2/0?context=%7b%22Tid%22%3a%22e69efb98-56ef-4797-a76b-e1ec658a639c%22%2c%22Oid%22%3a%22ee0a24e7-6d2c-4495-ade54377098865d2%22%7d. Copies of the proposed rules may be obtained without charge from the South Dakota Board of Physical Therapy, 810 North Main Street #298, Spearfish, South Dakota 57783. Copies are also available at <https://rules.sd.gov> and by emailing office@sdlicensing.com. Written comments on the proposed rules may be sent to South Dakota Board of Physical Therapy, 810 North Main Street #298, Spearfish, South Dakota 57783 or by going to <https://rules.sd.gov>. Material sent by mail or email must reach the board by August 14, 2024, to be considered. This hearing is being held in a physically accessible location. Persons with special needs for which the board can make arrangements may call (605) 773-3361 at least 48 hours before the public hearing.

South Dakota Electrical Commission (Department of Labor and Regulation): (May 24, 2024) intends to amend rules to adopt the 2023 National Electrical Code (NEC); implement standards for the approval and management of third-party inspectors; apply the statutory minimum inspection fee of one hundred dollars under SDCL 36-16-30; and formalize the third-party inspector process. The general authority for these rules, as cited by the commission, is SDCL [36-16-12](#), [36-16-13.2](#), [36-16-17](#), [36-16-27](#), and [36-16-30](#).

A public hearing at which persons may present amendments, data, opinions, and arguments for or against the proposed rules will be held at the Missouri River Event Center Conference Room, 217 West Missouri Avenue, Pierre, South Dakota, on July 23, 2024, at 9:00 a.m. (CT). Interested persons may also attend the public hearing remotely through Microsoft Teams using meeting ID 217 347 551 645 and passcode BtP7kj or by calling (605) 679-7263 and using conference ID 428449270#. Copies of the proposed rules may be obtained without charge from the South Dakota Electrical Commission, 217 West Missouri Avenue, Pierre, South Dakota 57501. Copies are also available at <https://rules.sd.gov> and by emailing electrical@state.sd.us. Written comments on the proposed rules may be sent to the South Dakota Electrical Commission, 217 West Missouri Avenue, Pierre, South Dakota 57501 or by email to electrical@state.sd.us. Material sent by mail or email must reach the commission by July 19, 2024, to be considered. This hearing is being held in a physically accessible location. Persons with special needs for which the commission can make arrangements may call (605) 773-3573 at least 48 hours before the public hearing.

Notices

The **Department of Social Services** intends to amend the South Dakota Medicaid State Plan regarding Medicaid recipient cost shares to remove cost sharing from medical services. Currently, most Medicaid recipients are exempt from cost sharing. This includes children under age 21, American Indians who have received services at Indian Health Services, individuals on hospice care, and individuals residing in a long-term care facility or receiving home and community-based services. In addition, many services are also currently exempt from cost sharing, including emergency services, family planning services, pregnancy-related services, laboratory services, radiology services, vaccines, substance use disorder services, and services received from an individual's primary care or health home care management provider.

Federal regulations at 42 CFR 447.56(f) further limit cost-sharing incurred by all individuals in the Medicaid household to an aggregate limit of five percent of the family's income applied on either a quarterly or monthly basis, as specified by the agency. The dynamic nature of this cost share limit would be extraordinarily costly and difficult to implement. The limit will likely result in greater confusion and uncertainty amongst Medicaid providers and recipients regarding whether and how much cost share applies. Administrative costs to collect the minimal co-pay and cost share amounts exceed their value. In order to comply with this federal limit, the department is exempting the remaining Medicaid recipients and services that are currently subject to cost sharing.

The proposed state plan amendment (SPA) adds G1, G2a, G2b, and G2c to the South Dakota Medicaid state plan. These pages supersede pages 1-3 of Attachment 4.18-A.

The department intends to make this SPA effective July 1, 2024, and estimates the fiscal impact to be \$77,975 in state funds and \$258,857 in federal funds, totaling \$336,832 in Federal Fiscal Year 2024, and \$311,901 in state funds and \$1,035,427 in federal funds, totaling \$1,347,328 in Federal Fiscal Year 2025.

The SPA is available to view on the department’s website at <http://dss.sd.gov/medicaid/medicaidstateplan.aspx>. Copies of the proposed SPA pages are also available at the Department of Social Services, Division of Medical Services. Written requests for a copy of these changes, and corresponding comments, may be emailed to MedicaidSPA@state.sd.us or sent to the Division of Medical Services, Department of Social Services, 700 Governors Drive, Pierre, South Dakota 57501-2291. The public comment period will start May 28, 2024, and end June 28, 2024.

The **Department of Social Services** intends to make changes to the South Dakota Medicaid State Plan to update the provider lists and supplemental payment amounts for the inpatient and nursing facility providers that have a signed care coordination agreement with Indian Health Services and have ensured access and proper coordination of care of health services. The supplemental payment amounts are listed below:

Inpatient Provider	Amount
Abbot House Inc	\$1,616
Aurora Plains Academy	\$9,167
Avera	\$359,552
Bennett County	\$13,320
Black Hills Surgical	\$25,597
Mobridge Regional	\$7,605
Monument Health	\$611,528
Lutheran Social Services	\$2,660
Our Home	\$3,833
Rushmore Ambulatory Surgery	\$4,898
Sanford	\$438,720
Sioux Falls Children’s Home	\$8,913

Nursing Facility Provider	Amount
Avera	\$62,377
Bennett County	\$27,289
Monument Health	\$3,209
Sanford	\$45,292

The proposed state plan amendment (SPA) amends page 14 of Attachment 4.19-A, and amends page 17b of Attachment 4.19-D of the South Dakota Medicaid State Plan.

The department intends to make this SPA effective June 1, 2024, and estimates the fiscal impact to be \$650,556 in state funds and \$975,024 in federal funds, totaling \$1,625,577 in Federal Fiscal Year 2024; no fiscal impact is anticipated in Federal Fiscal Year 2025.

The SPA is available to view on the department’s website at <http://dss.sd.gov/medicaid/medicaidstateplan.aspx>. Copies of the proposed SPA pages are also available at the Department of Social Services, Division of Medical Services. Written requests for a copy of these changes, and corresponding comments, may be emailed to MedicaidSPA@state.sd.us or sent to the Division of Medical Services, Department of Social Services, 700 Governors Drive, Pierre, South Dakota 57501-2291. The public comment period will start May 28, 2024, and end June 28, 2024.

The **Department of Social Services** intends to make changes to the South Dakota Medicaid State Plan to implement community mental health center (CMHC) and substance use disorder (SUD) agency rate increases appropriated by the state legislature during the 2024 legislative session effective June 1, 2024.

Medicaid CMHC and SUD Agency rates will be updated to the target rate methodology that was established by the rate workgroup, which included behavioral health providers and the Department of Social Services Division of Finance and Division of Behavioral Health. The updated fee schedules will be posted by June 1, 2024, on the department’s website at: <http://dss.sd.gov/medicaid/providers/feeschedules/dss/>. South Dakota Medicaid providers should continue to submit claims and bill South Dakota Medicaid as they did prior to June 1, 2024. Fee schedules are the maximum allowable reimbursement amount; per ARSD 67:16:01:09, payment for services is limited to the provider’s usual and customary charge.

The proposed state plan amendment (SPA) revises Attachment 4.19-B, Introduction page 1. The department intends to make this SPA effective June 1, 2024, and estimates the fiscal impact to be \$183,053 in state funds and \$273,752 in federal funds, totaling \$456,804 in Federal Fiscal Year 2024, and \$732,211 in state funds and \$1,095,006 in federal funds, totaling \$1,827,217 in Federal Fiscal Year 2025.

The SPA is available to view on the department’s website at <http://dss.sd.gov/medicaid/medicaidstateplan.aspx>. Copies of the proposed SPA pages are also available at the Department of Social Services, Division of Medical Services. Written requests for a copy of these changes, and corresponding comments, may be emailed to MedicaidSPA@state.sd.us or sent to the Division of Medical Services, Department of Social Services, 700 Governors Drive, Pierre, South Dakota 57501-2291. The public comment period will start May 28, 2024, and end June 28, 2024.

The **Department of Social Services**, in conjunction with the **Department of Human Services**, has proposed an amendment to the Family Support 360 Medicaid 1915 (c) waiver, which is operated by the Division of Developmental Disabilities in the Department of Human Services (DHS/DDD). The proposed amendment is available on the Department of Human Services website at <https://dhs.sd.gov/content/dam/digital/united-states/south-dakota/sdo/pdf/public-notice/FS360-Proposed-Waiver-Amendment.pdf>.