



South Dakota
Department of
Social Services

DEPARTMENT OF SOCIAL SERVICES

DIVISION OF MEDICAL SERVICES
700 GOVERNORS DRIVE
PIERRE, SD 57501-2291
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October 19, 2026

RE: South Dakota CHIP State Plan Amendment # SD-26-0007

The South Dakota Department of Social Services intends to make changes to the South Dakota CHIP State Plan regarding program strategic objectives and performance goals required under 42 CFR 457.710. The proposed amendment updates the CHIP state plan strategic objectives, corresponding goals and performance measurements to better reflect relevant quality measures and leverage existing quality measures and data sources.

The updated strategic objectives listed below will be measured annually for purposes of the CMS CHIP Annual Report:

1. Ensure the CHIP plan provides timely and satisfactory health coverage for eligible children.
2. Ensure the CHIP plan design and reimbursement lead to quality primary and oral health outcomes.

The SPA amends pages 6, 10, 98-101 of the CHIP State Plan. The Department intends to make this SPA effective November 1, 2026.

The department estimates there will be no fiscal impact associated with this SPA in Federal Fiscal Year 2026 or Federal Fiscal Year 2027.

The SPAs are 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 October 19, 2026, and end November 18, 2026.

Sincerely,

Matt Ballard

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

CC: Matt Althoff, Cabinet Secretary
Heather Petermann, Director

CHIP State Plan Amendment Proposal

Transmittal Number: SD-26-0007

Effective Date: 11/1/2026

Brief Description: Updates the CHIP state plan strategic objectives, corresponding goals and performance measurements.

Area and Page(s) of State Plan Affected: Pages 6, 10, 98-101 of the CHIP State Plan

Estimate of Fiscal Impact, if Any: FFY26: \$0.00
 FFY27: \$0.00

Reason for Amendment: Updates strategic objectives, corresponding goals and performance measurements to be more meaningful and accurately measured on an annual basis for purposes of the CHIP Annual Report.

Anticipated Impact to Tribes: No impact anticipated.

Comment Period: October 19, 2026, to November 18, 2026.

PUBLIC NOTICE

South Dakota CHIP Program

Notice is hereby given that the South Dakota Department of Social Services intends to make changes to the South Dakota CHIP State Plan regarding program strategic objectives and performance goals required under 42 CFR 457.710. The proposed amendment updates the CHIP state plan strategic objectives, corresponding goals and performance measurements to better reflect relevant quality measures and leverage existing quality measures and data sources.

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South Dakota Children's Health Insurance Program State Plan

Effective date: July 1, 2025.

SPA# SD-26-0007: This amendment updates the Strategic Objectives and Performance Goals in Section 9 of the plan.
Effective: November 1, 2026

- 1.4-TC SPA# SD-22-0003: The State conducted Tribal Consultation beginning with notification on July 18, 2022. Notification was sent via email to the Tribal Consultation Listserv with a 30-day comment period.
Effective Date: March 11, 2021
- SPA# SD-23-0020: The State conducted Tribal Consultation beginning with notification on November 6, 2023. Notification was sent via email to the Tribal Consultation Listserv with a 30-day comment period.
Effective Date: October 1, 2023.
- SPA# SD-25-0004: The State conducted Tribal Consultation beginning with notification on December 2, 2024. Notification was sent via email to the Tribal Consultation Listserv with a 30-day comment period.
Effective Date: January 1, 2025.
- SPA# SD-25-0014: The State conducted Tribal Consultation beginning with notification on June 23, 2025. Notification was sent via email to the Tribal Consultation Listserv with a 30-day comment period.
Effective Date: January 1, 2025.
- SPA# SD-26-0016: The State conducted Tribal Consultation beginning with notification on December 15, 2025. Notification was sent via email to the Tribal Consultation Listserv with a 30-day comment period.
Effective Date: July 1, 2025.
- SPA# SD-26-0007: The State conducted Tribal Consultation beginning with notification on October 19, 2026. Notification was sent via email to the Tribal Consultation Listserv with a 30-day comment period.
Effective Date: October 1, 2026.

South Dakota Children's Health Insurance Program State Plan

12/31/2001	45,712	7,666
03/31/2002	46,805	7,972

Source: SD MMIS 1998,1999,2000,2001,2002

Beginning July 1, 1998 eligibility levels for Medicaid and M-SCHIP were increased to include children ages 6 through 18 in families with incomes above 100% but not exceeding 133% of the FPL. Beginning April 1, 1999 the income eligibility levels for Medicaid and M-SCHIP increased from 133% to 140% of the FPL for children from birth through age 18. Beginning July 1, 2000, eligibility levels for SCHIP were increased and included children birth through age 18 from 141% to 200% of the FPL, with implementation of CHIP-NM. Beginning January 1, 2014, see SPA page CS7 for income standards under the State Plan.

Children from families with incomes in the expanded levels, who were uninsured and not otherwise eligible for Medicaid, received SCHIP coverage. All others who were eligible received Medicaid. The chart shows that the number of children with qualified coverage from Medicaid or SCHIP increased by 21,918 during the time period of SCHIP operation.

During this time period, 83% of the Medicaid enrolled children had no other health coverage when enrolled in the Medicaid program. All SCHIP enrolled children were, by definition, uninsured. Using this information the following table shows the number of uninsured children who received qualified coverage since SCHIP implementation.

Medicaid-SCHIP Enrollment of Uninsured Children				
<i>Baseline Year</i>	<i>Reporting Period</i>	<i>Uninsured Medicaid</i>	<i>SCHIP</i>	<i>Total</i>
1999	06/30/1998-09/30/1998	1,188	903	2,091
2000	10/01/1998-09/30/1999	2,381	1,585	3,966
2000	10/01/1999-09/30/2000	2,265	2,192	4,457
2001	10/01/2000-09/30/2001	3,960	2,490	6,450
2002	10/01/2001-03/31/2002	1,782	801	2,583
Totals		11,576	7,971	19,547

Source: MR63

The Census Bureau Current Population Survey reported 13,000 uninsured children under 200% of the FPL for South Dakota based upon its three year averages from 1996, 1997 and 1998. South Dakota believes the CPS estimate was the best source of baseline data available for the number of uninsured children when SCHIP was implemented. The data in the preceding table indicates the actual enrollees into the Medicaid or SCHIP programs that were uninsured prior to enrollment. In 2001, South Dakota was one of nine states awarded a one-year Health Resources and Services Administration grant to develop a plan for expanding access to affordable health coverage to all state residents. The State

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- 8.8.1. ☒ No Federal funds will be used toward state matching requirements.
(Section 2105(c)(4)) (42CFR 457.220)
- 8.8.2. ☒ No cost-sharing (including premiums, deductibles, copays, coinsurance and all other types) will be used toward state matching requirements. (Section 2105(c)(5) (42CFR 457.224) (*Previously 8.4.5*)
- 8.8.3. ☒ No funds under this title will be used for coverage if a private insurer would have been obligated to provide such assistance except for a provision limiting this obligation because the child is eligible under this title.
(Section 2105(c)(6)(A)) (42CFR 457.626(a)(1))
- 8.8.4. ☒ Income and resource standards and methodologies for determining Medicaid eligibility are not more restrictive than those applied as of June 1, 1997. (Section 2105(d)(1)) (42CFR 457.622(b)(5))
- 8.8.5. ☒ No funds provided under this title or coverage funded by this title will include coverage of abortion except if necessary to save the life of the mother or if the pregnancy is the result of an act of rape or incest.
(Section 2105)(c)(7)(B)) (42CFR 457.475)
- 8.8.6. ☒ No funds provided under this title will be used to pay for any abortion or to assist in the purchase, in whole or in part, for coverage that includes abortion (except as described above).
(Section 2105)(c)(7)(A)) (42CFR 457.475)

Section 9. Strategic Objectives and Performance Goals and Plan Administration (Section 2107)

- 9.1. Describe strategic objectives for increasing the extent of creditable health coverage among targeted low-income children and other low-income children:
(Section 2107(a)(2)) (42CFR 457.710(b))

South Dakota implemented CHIP-NM as an additional effort to address the objectives stated in the original M-SCHIP state plan. Those objectives are:

- 1. Ensure the CHIP plan provides timely and satisfactory health coverage for eligible children.*

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2. *Ensure the CHIP plan design and reimbursement lead to quality primary and oral health outcomes..*

Effective July 1, 2000 each objective will include the CHIP-NM program.

- 9.2. Specify one or more performance goals for each strategic objective identified: (Section 2107(a)(3)) (42CFR 457.710(c))

1. *Ensure the CHIP plan provides timely and satisfactory health coverage for eligible children.*

- 1.1 *Maintain or improve the percentage of respondents rating the CHIP health plan as 8 or higher per the CHIP CAHPS survey. The baseline value from the 2025 survey is 84.6%.*

- 1.2 *Maintain or improve the number of "Usually" or "Always" responses for the CHIP CAHPS "Getting Care Quickly" composite measure. The baseline value from the 2025 survey is 90.6%. .*

- 1.3 *Maintain or improve the number of "Usually" or "Always" responses for the CHIP CAHPS "Getting Needed Care" composite measure. The baseline value from the 2025 survey is 86.4%.*

- 1.4 *Maintain or increase the number of enrolled Medicaid/CHIP children (under age 19) on an annual SFY basis. The baseline values from 2025 are 90,235 total unique recipients with an average of 77,648 recipients per month.*

- 1.5 *Reduce the average days to disposition for Medicaid/CHIP applications each SFY. The baseline value from SFY25 is 17.1 days.*

- 1.6 *Maintain a low uninsured rates among low-income children of 4.5% or less. The baseline value from the 2024 US Census Bureau's American Community Survey Tables for Health Insurance Coverage (Table HI-11) is 3.2%.*

2. *Ensure the CHIP plan design and reimbursement lead to quality primary and oral health outcomes.*

- 2.1 *Increase the percentage of children receiving 6+ well-child visits in the first 15 months. The baseline value from the FFY25 HEDIS quality measures is 56.5%.*

- 2.2 *Increase percentage of children receiving 2+ well-child visits for ages 15-30 months. The baseline value from the FFY25 HEDIS quality measures is*

South Dakota Children's Health Insurance Program State Plan

64.5%

2.3 *Increase percentage of children receiving recommended annual well-child care visits for ages 3-21. The baseline value from the FFY25 HEDIS quality measures is 49.4%*

2.4 *Improve the rate of children accessing dental/oral health services. The baseline value from CY2024 claims data is 52.6%.*

2.5 *Increase the percentage of Medicaid/CHIP primary care expenditures that are value-based. The baseline value from CY2023 claims data is 14%.*

- 9.3. Describe how performance under the plan will be measured through objective, independently verifiable means and compared against performance goals in order to determine the state's performance, taking into account suggested performance indicators as specified below or other indicators the state develops:
(Section 2107(a)(4)(A),(B)) (42CFR 457.710(d))

1. *Ensure the CHIP plan provides timely and satisfactory health coverage for eligible children.*

The State will evaluate CHIP CAHPS survey outcomes for measures cited above. These CAHPS measures provide standardized and nationally comparable data that allow the State to objectively compare annual performance to the established goals for improved satisfaction and access. Additionally, the State will monitor enrollment totals and application processing timeliness using administrative system data. These metrics allow verification of whether enrollment is maintained or increased and whether average days to disposition improve each SFY. The State will also track uninsured rates among low-income children using U.S. Census Bureau survey data, enabling objective assessment of changes in statewide coverage levels.

2. *Ensure the CHIP plan design and reimbursement lead to quality primary and oral health outcomes.*

The State will rely on DQA-defined quality measures to assess performance on well-child visits across age groups and access to dental/oral health services. These HEDIS measures are nationally standardized and independently verifiable, allowing consistent comparison of annual results to established performance targets. The State will also use administrative system claims data to determine the percentage of primary care payments that are value-based, enabling objective evaluation of progress toward increasing value-based reimbursement. Together, these measurement approaches ensure that progress toward both strategic goals is assessed using independently validated data sources and compared directly to the performance goals defined in the CHIP State Plan.

South Dakota Children's Health Insurance Program State Plan

Check the applicable suggested performance measurements listed below that the state plans to use: (Section 2107(a)(4))

- 9.3.1. ☒ The increase in the percentage of Medicaid-eligible children enrolled in Medicaid.
- 9.3.2. ☒ The reduction in the percentage of uninsured children.
- 9.3.3. ☒ The increase in the percentage of children with a usual source of care.
- 9.3.4. ☒ The extent to which outcome measures show progress on one or more of the health problems identified by the state.
- 9.3.5. ☒ HEDIS Measurement Set relevant to children and adolescents younger than 19.
- 9.3.6. ☐ Other child appropriate measurement set. List or describe the set used.
- 9.3.7. ☐ If not utilizing the entire HEDIS Measurement Set, specify which measures will be collected, such as:
- 9.3.7.1. ☐ Immunizations
- 9.3.7.2. ☐ Well child care
- 9.3.7.3. ☐ Adolescent well visits
- 9.3.7.4. ☐ Satisfaction with care
- 9.3.7.5. ☐ Mental health
- 9.3.7.6. ☐ Dental care
- 9.3.7.7. ☐ Other, list:
- 9.3.8. ☒ Performance measures for special targeted populations.
- 9.4. ☒ The state assures it will collect all data, maintain records and furnish reports to the Secretary at the times and in the standardized format that the Secretary requires. (Section 2107(b)(1)) (42CFR 457.720)
- 9.5. ☒ The state assures it will comply with the annual assessment and evaluation required under Section 10. Briefly describe the state's plan for these annual assessments and reports. (Section 2107(b)(2)) (42CFR 457.750)
- The South Dakota Department of Social Services will evaluate the operation and effectiveness of its State Children's Health Insurance Program (SCHIP) on an ongoing basis and report the findings to CMS by January 1 of each year. A variety of data sources will be utilized to evaluate South Dakota's program. These data sources will include, but will not be limited to, US Bureau of Census, South Dakota Department of Health, South Dakota Medical Assistance, and Indian Health Services. Annual reports will follow the format as specified by CMS.*
- 9.6. ☒ The state assures it will provide the Secretary with access to any records or information relating to the plan for purposes of review of audit. (Section 2107(b)(3)) (42CFR 457.720)