



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
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October 5, 2026

RE: South Dakota CHIP State Plan Amendment # SD-26-0012

The South Dakota Department of Social Services intends to make changes to the South Dakota Medicaid State Plan to align with recent administrative rule changes and clarify PASRR policy consistent with federal regulations. Specifically, the SPA adds marriage and family therapists working toward a mental health designation to the list of other licensed practitioner services. This update will allow this practitioner type to provide and bill for mental health services. The SPA also makes minor edits to the PASRR Categorical Determinations page at the request of Centers for Medicare & Medicaid Services (CMS) to ensure language is consistent with PASRR definitions and requirements under 42 CFR 483.100–138.

The SPA amends page 11 of Supplement to Attachment 3.1-A and page 1 of Attachment 4.39-A. The Department intends to make this SPA effective October 15, 2026.

The department estimates there will be no fiscal impact associated with this SPA in Federal Fiscal Year 2027 or Federal Fiscal Year 2028.

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 5, 2026, and end November 4, 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-26-0012

Effective Date: 10/15/2026

Brief Description: Adds marriage and family therapists working toward a mental health designation to the list of other licensed practitioner services and makes minor edits to the PASRR Categorical Determinations page at the request of Centers for Medicare & Medicaid Services (CMS) to ensure language is consistent with PASRR definitions and requirements under 42 CFR 483.100–138.

Area and Page(s) of State Plan Affected: Page 11 of Supplement to Attachment 3.1-A and page 1 of Attachment 4.39-A.

Estimate of Fiscal Impact, if Any: FFY27: \$0.00
 FFY28: \$0.00

Reason for Amendment: Align with recent administrative rule changes and clarify PASRR policy consistent with federal regulations.

Anticipated Impact to Tribes: No impact anticipated.

Comment Period: October 5, 2026, to November 4, 2026

PUBLIC NOTICE

South Dakota Medicaid Program

Notice is hereby given that the South Dakota Department of Social Services intends to make changes to the South Dakota Medicaid State Plan to align with recent administrative rule changes and clarify PASRR policy consistent with federal regulations. Specifically, the SPA adds marriage and family therapists working toward a mental health designation to the list of other licensed practitioner services. This update will allow this practitioner type to provide and bill for mental health services. The SPA also makes minor edits to the PASRR Categorical Determinations page at the request of Centers for Medicare & Medicaid Services (CMS) to ensure language is consistent with PASRR definitions and requirements under 42 CFR 483.100–138.

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SUPPLEMENT TO ATTACHMENT 3.1-A

6d. Other Licensed Practitioner Services

1. Services of a licensed physician assistant. See service limitations under section 5a of this attachment.
2. Services of a licensed certified nurse practitioner other than pediatric or family nurse practitioners. See service limitations under section 5a of this attachment.
3. Services of a licensed certified registered nurse anesthetist. See service limitations under section 5a of this attachment.
4. Services of a licensed registered nurse or licensed practical nurse which are determined medically necessary by the Department, and are limited to no more than 18 hours of nursing during a calendar quarter.
5. Services of a licensed psychologist, licensed professional counselor – mental health, licensed professional counselor working toward a mental health designation, licensed clinical nurse specialist, licensed certified social worker – PIP, licensed certified social work – PIP candidate, licensed marriage and family therapist provided within their scope of licensure, or licensed marriage and family therapist who is working toward a mental health designation.
6. Services of a licensed nutritionist and licensed dietician provided within their scope of licensure.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT MEDICAL
ASSISTANCE PROGRAM

State/Territory: SOUTH DAKOTA

CATEGORICAL DETERMINATIONS

B. The state mental health or intellectual/developmental disability authority may make an advanced determination that nursing facility services are needed for the following groups

1. Terminal Illness

Terminal illness diagnosis, determined by a physician or hospice involvement, that includes a life expectancy of 6 months or less.

2. Severe Physical Illness

Severe physical illness which has resulted in a coma or ventilator dependence (ex: functioning at a brain stem level, or a diagnosis such as end stage COPD, Parkinson's disease, Huntington's, amyotrophic lateral sclerosis (ALS), which results in a level of impairment so severe that a person cannot be expected to benefit from specialized service.

3. Convalescent Stay

A physician has identified the need for a NF stay following a hospitalization for the same condition which will be less than 100 days.

4. Respite Stay

A physician has ordered for a respite stay of 30 days or less.

5. Emergency Placement

Provisional admission pending further assessment requiring a referral from adult protective services or law enforcement, with placement in the nursing facility not to exceed 7 days.

If an individual is later determined to need a longer stay than the State's limit allows, the individual must be subjected to a resident review before continuation of the stay may be permitted and payment made for days of NF care beyond the State's time limit.

C. The state intellectual/developmental disability authority may make categorical determinations that individuals with dementia, which exists in combination with intellectual disability or a related condition, do not need specialized services.