



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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WEB: [dss.sd.gov](http://dss.sd.gov)

December 15, 2025

RE: South Dakota CHIP State Plan Amendment # SD-25-0016

The South Dakota Department of Social Services intends to make changes to the South Dakota CHIP State Plan to provide federally required assurances regarding the eligibility of Targeted Low-Income Children (TLIC) who are or become incarcerated. The proposed amendment provides assurances that the State is in compliance with the juvenile justice federal requirements in Section 5121 of the Consolidated Appropriations Act, 2023.

The SPA adds CS31 – Incarcerated CHIP Beneficiaries template pages to the CHIP State Plan. The Department intends to make this SPA effective July 1, 2025.

The department estimates the fiscal impact associated with this SPA is included in the previous projections for the CHIP Juvenile Justice SPA #25-0004 which was \$16,897 in State funds and \$23,868 in Federal funds, totaling \$40,765 in Federal Fiscal Year 2026 (October 1, 2025 – September 30, 2026) and \$16,897 in State funds and \$23,868 in Federal funds, totaling \$40,765 in Federal Fiscal Year 2027 (October 1, 2026 – September 30, 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](mailto:MedicaidSPA@state.sd.us) or sent to:

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

The public comment period will start December 15, 2025, and end January 14, 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

## **Medicaid and CHIP State Plan Amendment Proposal**

**Transmittal Number:** SD-25-0016

**Effective Date:** 07/1/2025

**Brief Description:** Provides assurance that the State is in compliance with requirements in Section 5121 of the Consolidated Appropriations Act, 2023 regarding eligibility of Targeted Low-Income Children (TLIC) who are or become incarcerated.

**Area and Page(s) of State Plan Affected:** Adds CS31 – Incarcerated CHIP Beneficiaries template pages to the CHIP State Plan.

**Estimate of Fiscal Impact, if Any:**      FFY26: \$40,765  
   FFY27: \$40,765

**Reason for Amendment:** Required by Section 5121 of the Consolidated Appropriations Act, 2023.

**Anticipated Impact to Tribes:** Allows for improved healthcare coordination for incarcerated youth.

**Comment Period:** December 15, 2025, to January 14, 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 to provide federally required assurances regarding the eligibility of Targeted Low-Income Children (TLIC) who are or become incarcerated. The proposed amendment provides assurances that the State is in compliance with the juvenile justice federal requirements in Section 5121 of the Consolidated Appropriations Act, 2023.

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# CHIP Eligibility

State Name: South Dakota

OMB Control Number: 0938-1148

Transmittal Number: SD-25-0016

Incarcerated CHIP Beneficiaries	CS31
2102(d) and 2110(b)(7) of the SSA	
<b>Targeted Low-Income Children Who Become Incarcerated</b>	
<input checked="" type="checkbox"/> The state assures that it does not terminate eligibility for children enrolled in a separate CHIP because the child is an inmate of a public institution.	
States may either suspend CHIP coverage or continue to provide CHIP state plan (or waiver of such plan) services otherwise not covered by the carceral facility to children who are incarcerated. States that elect to suspend CHIP coverage for the duration of a child's incarceration may implement a benefits or eligibility suspension.	
The state elects to suspend CHIP coverage for the duration of a child's incarceration <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If yes, then check an option below:	
<input checked="" type="checkbox"/> Benefits suspension	
<input type="checkbox"/> Eligibility suspension	
<input checked="" type="checkbox"/> The state assures that it redetermines eligibility for any child prior to their release if it has been longer than 12 months since the child's last redetermination and restores coverage for child health assistance to eligible children upon their release.	
<input checked="" type="checkbox"/> Within the 30 days prior to release (or within one week of release, or as soon as practicable after release), the state assures that it provides eligible children with any screenings, diagnostic services, or case management services that would otherwise be available to children under the CHIP state plan (or waiver of such plan).	
Additional information regarding implementation of mandatory provisions of section 5121 of the Consolidated Appropriations Act, 2023 (CAA, 2023), including providing screenings, diagnostic services, or case management services:	
<i>The State may determine that it is not feasible for recipients to access the required services during the pre-release period in certain carceral facilities (e.g., local jails, youth correctional facilities, and state prisons) and/or certain circumstances (e.g. unexpected release or short-term stays).</i>	
<i>That State assures that clear documentation will be maintained in the internal operational plan indicating where implementation of services during the pre-release period in certain carceral facilities (e.g., local jails, youth correctional facilities, and state prisons) and/or certain circumstances (e.g. unexpected release or short-term stays) are not feasible, including the reason why the state has determined it is not feasible which will be available to CMS upon request. Services will be provided post-release, including the mandatory 30-days of targeted case management, screening, and diagnostic services.</i>	
<i>The State assures that clear documentation will be maintained in the internal operational plan indicating which carceral facility/facilities,</i>	

## 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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# CHIP Eligibility

*if any, are furnishing services but not enrolling in or billing Medicaid which will be available to CMS upon request.*

Under section 5122 of the CAA, 2023, states may consider otherwise eligible children who are inmates pending disposition of charges as eligible for CHIP and provide all services covered under the CHIP state plan.

- ☐ The state elects to provide all CHIP state plan benefits (or waiver of such plan) to eligible children who are inmates pending disposition of charges.

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# CHIP Eligibility

## Children Determined Eligible for CHIP While Incarcerated

Generally, children who apply for CHIP when they are in a carceral facility are not eligible because of the eligibility exclusion for inmates of a public institution under section 2110(b) of the Act. However, section 2110(b)(7) of the Act provides an exception to this eligibility exclusion for children who are within 30 days prior to their release.

- ☒ The state assures that they will process any application submitted on behalf of a child and make an eligibility determination for child health assistance upon their release from the institution.
- ☒ Children who apply and are found eligible within 30 days prior to their release will be provided screening and diagnostic services, and case management services that are otherwise available under the CHIP state plan (or waiver of such plan).

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