



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  
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April 20, 2026

RE: South Dakota Medicaid State Plan Amendment #SD-26-0002

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 2026 legislative session effective June 1, 2026.

Medicaid CMHC and SUD Agency services will receive a 1.4% rate increase. The updated fee schedules will be posted by June 1, 2026 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, 2026. 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, 2026.

The department estimates the fiscal impact will be \$93,936 in State funds and \$169,562 in Federal funds, totaling \$263,498 in Federal Fiscal Year 2026 (June 1, 2026 to September 30, 2026) and \$281,807 in State funds and \$508,685 in Federal funds, totaling \$790,492 in Federal Fiscal Year 2027 (October 1, 2026 to September 2027).

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](mailto:MedicaidSPA@state.sd.us) or sent to:

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The public comment period will start April 20, 2026, and end May 20, 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 State Plan Amendment Proposal**

**Transmittal Number:** SD-26-0002

**Effective Date:** June 1, 2026

**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 2026 legislative session effective June 1, 2026.

**Area and Page(s) of State Plan Affected:** Attachment 4.19-B

**Estimate of Fiscal Impact, if Any:**        SFY26: \$263,498  
   SFY27: \$790,492

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

**Anticipated Impact to Tribes:** Minimal impact to tribes as tribal behavioral health providers are reimbursed at the IHS all-inclusive rate.

**Comment Period:** April 20, 2026 to May 20, 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 implement community mental health center (CMHC) and substance use disorder (SUD) agency rate increases appropriated by the state legislature during the 2026 legislative session effective June 1, 2026.

Medicaid CMHC and SUD Agency services will receive a 1.4% rate increase. The updated fee schedules will be posted by June 1, 2026 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, 2026. 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.

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ATTACHMENT 4.19-B  
INTRODUCTION

Payment rates for the services listed below are set and 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.

<b>Service</b>	<b>Attachment</b>	<b>Effective Date</b>
Early and Periodic Screening, Diagnosis, and Treatment (EPSDT)	Attachment 4.19-B, Page 4	July 1, 2025
Physician Services	Attachment 4.19-B, Page 6	July 1, 2025
Optometrist Services	Attachment 4.19-B, Page 9	July 1, 2025
Chiropractic Services	Attachment 4.19-B, Page 10	July 1, 2025
Independent Mental Health Practitioners	Attachment 4.19-B, Page 11	July 1, 2025
Nutritionist and Dietician Services]	Attachment 4.19-B, Page 11	July 1, 2025
Home Health Services	Attachment 4.19-B, Page 12	July 1, 2025
Durable Medical Equipment	Attachment 4.19-B, Page 13	July 1, 2025
Clinic Services	Attachment 4.19-B, Page 15	July 1, 2025
Dental Services	Attachment 4.19-B, Page 16	July 1, 2025
Physical Therapy	Attachment 4.19-B, Page 17	July 1, 2025
Occupational Therapy	Attachment 4.19-B, Page 18	July 1, 2025
Speech, Hearing, or Language Disorder Services	Attachment 4.19-B, Page 19	July 1, 2025
Dentures	Attachment 4.19-B, Page 21	July 1, 2025
Prosthetic Devices	Attachment 4.19-B, Page 22	July 1, 2025
Eyeglasses	Attachment 4.19-B, Page 23	July 1, 2025
Diabetes Self-Management Training	Attachment 4.19-B, Page 26	July 1, 2025
Community Health Workers	Attachment 4.19-B, Page 26	July 1, 2025
Doula Services	Attachment 4.19-B, Page 26	July 1, 2025
Community Mental Health Centers	Attachment 4.19-B, Page 26	June 1, 2026
Substance Use Disorder Agencies	Attachment 4.19-B, Page 26	June 1, 2026 *
Nurse Midwife Services	Attachment 4.19-B, Page 31	July 1, 2025
Pregnancy PCCM Program	Attachment 4.19-B, Page 39a	July 1, 2025
Targeted Case Management	Attachment 4.19-B, Page 33	July 1, 2025
Transportation	Attachment 4.19-B, Page 38	July 1, 2025
Personal Care Services	Attachment 4.19-B, Page 38	July 1, 2025
Freestanding Birth Centers	Attachment 4.19-B, Page 39	July 1, 2025
Professional Services Provided in a Freestanding Birth Center	Attachment 4.19-B, Page 39	July 1, 2025

\*Room and board is not included in these rates.

TN# 26-0002  
SUPERCEDES  
TN# 25-0012

Approval Date:

Effective Date: 07/01/26