



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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April 2, 2024

RE: South Dakota Medicaid Plan Amendment # SD-24-0009

The South Dakota Department of Social Services intends to amend the South Dakota Medicaid State Plan regarding substance use disorder treatment services. The SPA restores permanent coverage of substance use disorder (SUD) services provided to eligible individuals in institutions for mental disease (IMDs) formerly allowed under the SUPPORT Act which sunset on September 30, 2023. The SPA amends page 1 of Attachment 3.1-M of the Medicaid State Plan by removing the end date on this service. The Department intends to make this SPA effective October 1, 2023 in accordance with Section 204 of the Consolidated Appropriations Act (CCA), 2024.

These services are currently covered by the Department of Social Services, Division of Behavioral Health. Coverage under the Medicaid state plan represents a cost savings to the state due to the federal match. The department estimates the cost of a full year of services associated with this SPA to be \$750,717 in State funds and \$1,125,138 in Federal funds, totaling \$1,875,855 in Federal Fiscal Year 2024 (October 1, 2023 to September 30, 2024) and \$750,717 in State funds and \$1,125,138 in Federal funds, totaling \$1,875,855 in Federal Fiscal Year 2025 (October 1, 2024 to September 30, 2025).

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 April, 2 2024, and end May 2, 2024.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Matthew Ballard', is written over a light blue horizontal line.

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-24-0009

Effective Date: 10/1/2023

Brief Description: Restores permanent coverage of substance use disorder (SUD) services provided to eligible individuals in institutions for mental disease (IMDs).

Area of State Plan Affected: Attachment 3.1-M

Page(s) of State Plan Affected: Page 1

Estimate of Fiscal Impact, if Any: Cost savings to the State due to current coverage by the Department of Social Services, Division of Behavioral Health with general funds. Estimated total costs of a full year are: FFY24: \$1,875,855.00 and FFY25: \$1,875,855.00.

Reason for Amendment: Permanent coverage as a state plan option was made allowable by Section 204 of the Consolidated Appropriations Act 2024, signed into law on March 9, 2024.

PUBLIC NOTICE

South Dakota Medicaid Program

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The public comment period will start April, 2 2024, and end May 2, 2024.

State/Territory: South Dakota

State Option to Provide Medicaid Coverage for Certain Individuals with Substance Use Disorders who are Patients in Certain Institutions for Mental Diseases

South Dakota Medicaid covers substance use disorder treatment services provided to eligible individuals in an eligible institution for mental disease (IMD) in accordance with Section 1915(l) of the Social Security Act.

Eligible Individuals

Eligibility is limited to Medicaid recipients age 21 through 64 who have at least one substance use disorder and reside in an eligible IMD primarily to receive withdrawal management or substance use disorder treatment services.

General Assurances

The State provides the following assurances regarding the scope of IMD services:

1. Coverage is limited to services provided after October 1, 2019.
2. Coverage is limited to a maximum of 30 days per 12-month period per eligible individual from the date an eligible individual is first admitted to an eligible IMD.

IMD Assurances

The State provides the following assurances regarding eligible IMDs:

1. Eligible IMDs follow reliable evidence-based practices and offer at least two forms of medication-assisted treatment (MAT) onsite, including one antagonist and one partial agonist for opioid use disorder. The State ensures IMDs meet these requirements through standards established by the State's Single State Agency for Substance Abuse Services for providers.
2. Eligible IMDs provide services at lower levels of clinical intensity or establish relationships with Medicaid-enrolled providers offering services at lower levels of care. The State ensures IMDs meet these requirements through standards established by the State's Single State Agency for Substance Abuse Services for providers.

Evidence-Based Clinical Screening Assurance

The State provides the following assurance regarding evidence-based clinical screenings:

1. Eligible individuals receive an appropriate evidence-based clinical screening prior to receiving services in an eligible IMD, including initial and periodic reassessments to determine the appropriate level of care, length of stay, and setting for each individual. Eligible IMDs are required to perform an integrated assessment. The integrated assessment includes both functional and diagnostic components. The assessment shall