State/Territory Name: South Dakota

State Plan Amendment (SPA) #: 19-0012

This file contains the following documents in the order listed:

1) Approval Letter
2) 179
3) Approved SPA Pages

TN: SD-19-0012  Approval Date: 02/11/2020  Effective Date: 12/01/2019
Financial Management Group/ Division of Reimbursement Review

February 11, 2020

William Snyder, Medicaid Director
Department of Social Services
Richard F. Kneip Building
700 Governors Drive
Pierre, SD 57501-2291

RE: TN 19-0012

Dear Mr. Snyder:

We have reviewed the proposed amendment to Attachment 4.19-B of your Medicaid State plan submitted under transmittal number (TN) 19-012. The proposed amendment was submitted to address and resolve the issues identified in the companion letter issued with the approval of SD-19-0004.

Based upon the information provided by the State, we have approved the amendment as 19-0012 for incorporation into the official South Dakota State Plan with an effective date of December 1, 2019. A copy of the CMS-179 and the approve plan page(s) are enclosed with this letter.

If you have any questions, please call Kirstin Michel at (303) 844-7036 or by email at Kirstin.Michel@cms.hhs.gov.

Sincerely,

Todd McMillion

Acting Director

Enclosures
The proposed State Plan Amendment clarifies language on the physician and laboratory services reimbursement page including removing duplicative language and clarifying the reimbursement methodology for clinical diagnostic laboratory tests for which Medicare has not established a fee.

10. SUBJECT OF AMENDMENT:

The proposed State Plan Amendment clarifies language on the physician and laboratory services reimbursement page including removing duplicative language and clarifying the reimbursement methodology for clinical diagnostic laboratory tests for which Medicare has not established a fee.

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 ☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

Laurie Gill

13. TYPED NAME:

Laurie Gill

14. TITLE:

Cabinet Secretary

15. DATE SUBMITTED:

December 19, 2019

16. RETURN TO:

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

17. DATE RECEIVED:

12/19/2019

18. DATE APPROVED:

2/11/2020

19. EFFECTIVE DATE OF APPROVED MATERIAL:

12/1/2019

20. SIGNATURE OF REGIONAL OFFICIAL:

Todd McMillion

21. TYPED NAME:

Todd McMillion

22. TITLE:

Acting Director

23. REMARKS:

Form CMS-179 (07-92)
5a. Physician Services

The rates below are effective for services on or after the date listed on the Attachment 4.19-B Introduction Page, Page 1.

a. Services other than clinical diagnostic laboratory tests.

1. Payment will be the lower of the provider’s usual and customary charge or the amount established on the State agency’s fee schedule published on the agency’s website https://dss.sd.gov/medicaid/providers/feeschedules/dss/. If there is no fee established, the payment will be 40% of the provider’s usual and customary charge.

2. If there is no fee established for supplies furnished incidental to the professional services of a physician, the payment will be paid 90% of the provider’s usual and customary charge.

b. Anesthesia services. Payment will be the lower of the provider’s usual and customary charge or the amount established on the State agency’s fee schedule published on the agency’s website https://dss.sd.gov/medicaid/providers/feeschedules/dss/.

c. Clinical diagnostic laboratory tests.

1. Payment will be the lower of the provider’s usual and customary charge or the amount established on the State agency’s fee schedule published on the agency’s website https://dss.sd.gov/medicaid/providers/feeschedules/dss/. The established fee will not exceed Medicare’s fee on a per test basis as required by Section 1903(l)(7) of the Social Security Act.

2. Tests for which Medicare has not established a fee will be paid the lower of a fee established by the State agency or priced by report. The reimbursement rate for these services is determined using one of a variety of different reimbursement methodologies. The reimbursement rates for services priced by report are determined using a similar service, product, or procedure that has an established rate, or a percentage of the provider’s usual and customary charge. The specific methodology depends on the service, product, or procedure performed.

d. Payment for physician services provided via telemedicine is made as follows:

1. Only providers eligible to enroll in the Medicaid program are eligible for payment of telemedicine services. Providers must bill the appropriate CPT procedure code with the modifier “GT” indicating the services were provided via telemedicine.

2. Originating sites, the physical location of the recipient at the time the service is provided, will be paid the lower of the provider’s usual and customary charge or the amount established on the State agency’s fee schedule published on the agency’s website https://dss.sd.gov/medicaid/providers/feeschedules/dss/. All originating sites must be an enrolled provider. Approved originating sites are:
   i. Office of a physician or practitioner.
   ii. Outpatient Hospitals.
   iii. Critical Access Hospitals.
   iv. Rural Health Clinics. The facility fee is not considered an encounter and will be reimbursed according to the fee schedule.
   v. Federally Qualified Health Centers. The facility fee is not considered an encounter and will be reimbursed according to the fee schedule.
   vi. Indian Health Service (IHS) Clinics. The facility fee is not considered an encounter and will be reimbursed according to the fee schedule.
   vii. Community Mental Health Centers.
   viii. Nursing Facilities.
   ix. School Districts.

3. Distant sites, the physical location of the practitioner providing the service, will be paid the lower of the provider’s usual and customary charge or the amount established on the State agency’s fee schedule published on the agency’s website https://dss.sd.gov/medicaid/providers/feeschedules/dss/.

ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES