

PUBLIC NOTICE

South Dakota Medicaid Program

Notice is hereby given that the South Dakota Department of Social Services (DSS) intends to submit an 1115 demonstration (demonstration) application to the Center for Medicare & Medicaid Services (CMS) to implement the Career Connector program. The Career Connector programs goals and objectives are to 1) empower participants to be successful in today's workforce and 2) improve participants' health and encourage the development of healthy habits.

The demonstration is a pilot project. It will operate in Minnehaha and Pennington Counties. These counties were selected due to employment opportunities and availability of employment and training resources. The program is limited to adult recipients age 19 to 59 who are enrolled in the parent and other caretaker relatives eligibility group and exempts the following individuals from participation:

- Individuals who work 80 hours or more a month;
- Individuals age 18 or younger;
- Individuals age 60 or older;
- Full-time students;
- Pregnant women;
- Individuals whose eligibility has been determined on the basis of disability or who have been determined disabled by the Social Security Administration;
- Medically frail individuals (e.g. individuals unable to work due to cancer or other serious or terminal illness);
- Individuals already participating in a workforce participation program that the State has determined meets the objectives of the Career Connector program (e.g. SNAP, TANF or unemployment insurance);
- Parents of dependent children under one year old living in the parent's residence; and
- Primary caregivers of elderly or disabled individuals living in the caretaker's residence.

Participation in the program will be determined at the time of initial application or during the renewal review for individuals currently enrolled in South Dakota Medicaid. Exempt individuals may elect to participate in the program on a voluntary basis.

Participants in the program will have an individualized training plan. The individualized plan will help individuals develop skills and abilities to assist the individual in obtaining employment in his or her desired field. The plan will include monthly milestones or goals, such as job or skill training. Individuals must complete milestones each month or work 80 hours or more a month.

The program also intends to improve participants' health. The program will promote preventative care and help increase identification and treatment of behavioral health and chronic conditions.

Participants will be assisted by a DSS case manager who will help ensure participants are successful. In addition, participants will be referred to appropriate support services to address barriers to employment. Support services may include, but are not limited to, transportation, rent assistance, and child care assistance. Support services are not funded by Medicaid expenditures.

Some participants' earned income may increase and exceed the Medicaid upper income limit. At the conclusion of their Medicaid coverage these individuals may be eligible for premium assistance to help pay for employer-sponsored health insurance or coverage through a Qualified Health Plan (QHP) for up to one year.

Participants in the demonstration will continue to have the same benefits, cost sharing, and delivery system as those with full coverage under the Medicaid state plan. Individuals receiving premium assistance will have the benefits, cost sharing, and delivery system associated with the employer-sponsored health insurance or QHP they are enrolled in.

Individuals who do not accomplish their monthly milestones or work 80 hours or more a month will be provided the opportunity to take corrective action. Continual failure to take corrective action may result in closure of an individual's Medicaid eligibility.

The State will conduct analysis on no less than an annual basis to determine the outcomes associated with this demonstration. This analysis will test the following hypotheses using claims data, administrative data, and participant surveys:

- Career Connector will promote the use of preventative care.
- Increased utilization of preventative care by participants will result in a reduction of non-emergency use of emergency department services.
- Career Connector will result in increased behavioral health treatment.
- Career Connector will increase the general health knowledge of participants.
- Work is positively correlated with improved wellbeing.
- Career Connector will encourage professional development.
- Career Connector will encourage participants to obtain their GED certification.
- Career Connector will encourage participants to obtain relevant post-secondary education.
- Career Connector will encourage participants to obtain meaningful employment.
- Career Connector will help individuals obtain a job with health benefits.

The State estimates approximately 1,300 individuals in the parent or other caretaker relatives eligibility group will be enrolled in the Career Connector program annually. In

Federal Fiscal Year 2017, the annual aggregate expenditures for 1,300 individuals in the parent and other caretaker relatives eligibility group was approximately \$9,672,000. The department anticipates similar annual aggregate expenditures going forward. Annual enrollment may decrease due to earned income increasing for some individuals. In addition, annual enrollment may decrease due to non-participation. At this time it is not clear how much annual enrollment will change. Decreases in annual enrollment would also likely result in decreases in annual expenditures.

The demonstration application requests 1115(a)(1) authority to waive the below provisions of Medicaid law and section 1115(a)(2) expenditure authority to provide premium assistance to eligible Career Connector participants, implement non-compliance measures, and to pilot the program in Minnehaha and Pennington Counties.

- Comparability, Section 1902(a)(10)(B)
- Reasonable promptness, Section 1902(a)(3)
- Provision of medical assistance, Section 1902(a)(8) and 1902(a)(10)
- Statewide/uniformity, Section 1902(a)(l)

The non-federal share of Medicaid expenditures for this population will continue to be financed through State general funds.

The State will conduct two public hearings at the following times and locations:

May 24, 2018
11:00 AM CT
Department of Social Services
811 East 10th Street
Sioux Falls, SD 57103-1650

May 31, 2018
1:00 PM MT
Department of Labor and Regulation
2330 North Maple Ave, Suite 1
Rapid City, SD 57701 -7898

Individuals requiring assistive technology or other services in order to participate in a meeting should submit a request to Marilyn Kinsman via telephone at 605.773.3165 or via email at Marilyn.Kinsman@state.sd.us at least 48 hours prior to the meeting in order to make accommodations available. Commenters are allowed to appear telephonically at these hearings. To appear telephonically please dial 866.410.8397 and enter conference code 8176972761.

A copy of the proposed demonstration is available on the Department's website at <https://dss.sd.gov/medicaid/1115waiver.aspx>. Comments may be emailed to dss.medicaid@state.sd.us. Please include "Career Connector Public Comment" in the

subject line. Written requests for a copy of the demonstration, and corresponding comments, may also be sent to:

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

A copy of the proposed demonstration application is available for public review and comment at the above-referenced address. A 30 day comment period on the Career Connector demonstration application will begin May 21, 2018 and end June 19, 2018. All comments should be submitted during this time period.