



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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July 22, 2026

Attention: South Dakota Medicaid Providers
From: South Dakota Medicaid
Re: HMS Disallowance and Recoupment Process

The South Dakota Department of Social Services (DSS) **Office of Recoveries and Fraud Investigations (ORFI)** has partnered with Health Management Systems, Inc. (HMS) to perform third-party liability and coordination of benefits services reviews to ensure Medicaid has not paid for services that another insurer or party is responsible for paying.

Medicaid is the payer of last resort under federal law (42 CFR §433.135). DSS must recover payments made on claims where another insurer or party is primary. This includes conducting audits to ensure proper coordination of benefits and prevent fraud, waste, and abuse.

The table below outlines the upcoming anticipated review cycle:

HMS Review Cycle	Provider Response Period
August 2026- November 2026	September- November 2026
December 2026- March 2027	December 2026- March 2027
March 2027- July 2027	April 2027-July 2027

HMS Claims Review Process:

- HMS will review and identify claims paid by South Dakota Medicaid that should have been paid by a commercial insurance carrier.
- HMS will send communication directly to South Dakota Medicaid Providers.
- Providers must review the identified claims and respond promptly to HMS utilizing their online portal.
 - Failure to respond directly to HMS within 60 days will be considered acceptance of the analysis and authorization to recoup.
 - If you have not already registered for portal access you may do so at <https://ecenter.hmsy.com/external/SelfRegister.jsp>. Please note that training on using the portal is available within the portal once you have registered.
 - If you have previously registered for portal access, you may submit responses to <https://hmsportal.hms.com>.

DSS Recoupment Process:

The Department of Social Services does not exclude, deny benefits to, or otherwise discriminate against any person on the basis of actual or perceived race, color, religion, national origin, sex, age, sexual orientation or disability in admission or access to, or treatment or employment in its programs, activities, or services. For more information about this policy or to file a Discrimination Complaint you may contact: Discrimination Coordinator, Director of DSS Division of Legal Services, 700 Governor's Drive, Pierre SD 57501, 605-773-3305.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-800-305-9673 (TTY: 711).

ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 1-800-305-9673 (TTY: 711).

- After the completion of HMS' review cycle, DSS will recoup the total amount of all claims that were determined to be ineligible for South Dakota Medicaid due to third-party liability.

ORFI encourages providers to communicate promptly and directly with HMS to avoid any issues with claim recoupment. HMS' contact information is included below:

Health Management Systems, Inc.
Third Party Liability Service Center
255 John Carpenter Fwy, Suite 500
Irving, TX 75062
Phone: **833-950-7300** | Fax: **877-256-1226**

If you have any questions regarding HMS or the recovery process, please contact ORFI at recoveries@state.sd.us or 605-773-3653.

Sincerely,

South Dakota Medicaid