South Dakota Department of Social Services

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September 4, 2026

Attention: **South Dakota Medicaid Providers**

From: **South Dakota Medicaid**

Re: **Obstetrical Services Billing Changes**

South Dakota Medicaid is issuing updated obstetrical billing guidance to support providers ahead of the American Medical Association (AMA) changes to maternity care coding that will go into effect on January 1, 2027.

Global Obstetric Codes Valid Through December 31, 2026
Global obstetric codes remain valid for dates of service through December 31, 2026. However, because some patients will have episodes of care that span the transition into 2027, South Dakota Medicaid is providing flexibility for providers who choose to begin reporting services individually before the sunset of global codes.

Billing Flexibility Prior to January 1, 2027
Providers may elect to bill obstetrical services individually before January 1, 2027, rather than using global obstetric codes. The following service-level billing is allowed for dates of service through December 31, 2026:

Service	Billing Flexibility
Antepartum Care	May be billed per encounter using the appropriate E/M procedure codes (CPT 99202–99499). All claims must include pregnancy-related ICD-10-CM diagnosis codes. The TH modifier should be applied when billing routine prenatal care EM codes.
Labor and Delivery	May be billed per delivery using the current delivery-only codes (CPT 59409, 59514, 59612, 59620). These delivery-only codes include immediate postpartum care provided on the calendar day of delivery. Any additional services outside this scope must be billed separately.

Postpartum Care	May be billed per encounter using appropriate E/M procedure codes (CPT 99202–99499). Diagnosis code Z39.2 must be used to indicate routine postpartum follow-up care. The TH modifier should be applied when billing routine postpartum care EM codes.

Use of Global Codes (Optional Through December 31, 2026)
Providers may continue to use global obstetric package codes through December 31, 2026, when all components of care are within 2026.

Transfers of Care and Multiple Providers
South Dakota Medicaid recognizes that obstetrical care may be provided by more than one clinician or practice. In cases of shared or transferred care:

- Each provider may bill only for the services they personally rendered.
- When individual billing is used, prenatal and postpartum E/M services should be billed per encounter by the provider who furnished the service.
- Delivery-only procedure codes may be billed by the provider who performed the delivery.
- Providers should coordinate to avoid duplicate billing when care is transferred mid-pregnancy or when multiple clinicians participate in care.

Unexpected Delivery Date Changes
For episodes initially expected to be fully contained within 2026 but that unexpectedly extend into 2027 (e.g., changes to the anticipated delivery date), providers must follow individual billing requirements for the entire episode once any pregnancy-related service falls on or after January 1, 2027. To avoid potential timely filing issues providers may want to strongly consider using the allowed billing flexibilities where the delivery date could extend into 2027. Conversely, if an episode expected to cross into 2027 is completed entirely within 2026, providers may choose global or individual billing. Providers should review delivery and prenatal/postpartum dates of service before submitting claims to determine the appropriate billing method.

Claim Corrections
If circumstances require changing the billing approach (e.g., unexpected shift from anticipated global billing to individual billing due to dates of service crossing into 2027), providers must correct previously submitted claims within the timely filing period to avoid denials or duplicate billing. Claims that were originally billed globally but must be changed to individual billing should be voided and resubmitted using the appropriate individual codes. Claims originally submitted individually but later determined to fall entirely within 2026 may be corrected to global billing when appropriate.

Key Points
Providers may not use any global maternity package code for 2026/2027 mixed-year episodes. Once a provider elects to begin billing obstetrical services individually instead of globally for a

pregnancy episode with dates of service in 2026, that billing method must be applied consistently for the entire episode of care. Global and individual billing may not be combined for the same pregnancy episode.

If all pregnancy-related care that would be included in a global procedure code starts and ends in 2026, providers may choose to:

- Use global obstetric codes; or
- Use E/Ms for antepartum and postpartum care.

If any pregnancy-related care that would be included in a global procedure code crosses into 2027:

- Do NOT use global obstetric codes for pregnancy services rendered in 2026 or 2027;
- Use individual E/M codes + TH modifier and pregnancy-related ICD-10 codes for prenatal care;
- Bill for delivery using applicable delivery-only codes; and
- Use individual E/M codes + TH modifier + Z39.2 diagnosis code for post-partum care.

Example Scenarios

- Example A – Episode Stays within 2026
  - A patient with a due date of December 20, 2026 receives all prenatal, delivery, and postpartum services before December 31, 2026.
  - Provider may choose global billing or individual billing for all components.
- Example B – Episode Unexpectedly Extends into 2027
  - A patient with a due date of December 28, 2026 delivers on January 2, 2027.
  - Provider must bill all prenatal, delivery, and postpartum services individually; global billing may not be used for any portion of the episode.
- Example C – Starting Individual Billing Early
  - A provider elects early in the pregnancy (August 2026) to begin individual billing.
  - Prenatal encounters, delivery, and postpartum care are all billed individually, even if the episode ends before December 31, 2026.
- Example D – Transfer of Care
  - A patient receives early prenatal care from Provider A, then transfers to Provider B for late prenatal care and delivery.
  - Each provider bills individually only for the services they personally furnished.

For additional information on obstetrical services coverage and billing refer to the Obstetrical Services manual.

Sincerely,

South Dakota Medicaid