



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
FAX: 605.773.5246
WEB: dss.sd.gov

February 18, 2021

ATTENTION: Hospitals and Medicaid Stakeholders

FROM: South Dakota Medicaid

RE: Participation in the CHART Model

South Dakota Medicaid is seeking hospitals and Medicaid stakeholders interested in participating in the Community Health Access and Rural Transformation (CHART) model community transformation track. South Dakota Medicaid intends to apply as a lead organization for the CHART grant funding opportunity which CMS will award to up to 15 organizations nationally. CMS will notify organizations if they are selected for the opportunity in July 2021. By indicating your interest in participating, you will help strengthen South Dakota Medicaid's application.

For purposes of the opportunity, participating hospitals must be in a rural area, which may be any South Dakota county besides Minnehaha, Lincoln, Pennington, or Meade. The CHART Model is intended to:

- Increase access to care for rural beneficiaries.
- Improve quality of care and health outcomes for beneficiaries.
- Increase the financial stability of rural providers.

Hospitals interested in participating in the CHART model and stakeholders interested in serving on the CHART advisory council should contact South Dakota Medicaid Director, William Snyder by March 1, 2021, at William.Snyder@state.sd.us.

Benefits to Hospitals

The CHART model will transition participating hospitals' Medicare and Medicaid reimbursement methodologies to a bi-weekly capitated payment based on historical expenditures with adjustment factors. Medicare payments would be transitioned to this methodology in January 2023 and Medicaid payments would be transitioned to an aligned methodology in January 2024. The capitated payments will provide financially predictable, stable revenue with the opportunity to generate and keep savings. The payment methodology will also provide flexibility to innovate care, focus on quality, and drive population health.

Participating hospitals may also receive Medicare operational and regulatory flexibilities, which may include, but are not limited to, the following:

- Waiver of cost sharing for Part B services.
- Waiver of certain Medicare hospital conditions of participation.

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).

- Waiver of requirements for a 3-day inpatient stay prior to admission to a Skilled Nursing Facility.
- Waiver of the Critical Access Hospital requirements that a physician must certify that a patient is expected to be discharged or transferred within 96 hours of being admitted.
- Medicare telehealth expansion (continued post-COVID-19) including allowing a beneficiary's home to be considered an originating site for certain services and allowing providers to engage in telehealth services with non-established patients.
- Allowing care management home visits proactively and prior to potential hospitalization and waiver of the homebound requirement for receiving these services.

Interested Hospitals

Interested hospitals should contact South Dakota Medicaid Director William Snyder by March 1, 2021, at William.Snyder@state.sd.us to express interest or discuss the opportunity. Interested hospitals may be asked to sign a non-binding letter of intent to participate in the CHART model. If South Dakota is awarded a CHART grant, there will be a pre-implementation period from August 1, 2021 – December 31, 2022. During the pre-implementation period, hospitals can learn more about the opportunity and CMS will calculate the Medicare capitated payment amount for each hospital. Hospitals will be provided the opportunity to evaluate the capitated payment amount and determine if they wish to participate in the CHART model.

Interested Stakeholders

South Dakota Medicaid is also seeking stakeholders to serve on the CHART advisory council. If South Dakota is awarded a CHART grant, the advisory council will assist with implementing the CHART model and monitoring progress. The advisory council may include, but is not limited to, the following:

- Participating hospitals.
- Medicaid and/or Medicare beneficiaries or unpaid caregivers.
- Primary care providers, FQHCs, RHCs, or physician group practices.
- Substance use disorder treatment and/or mental health services health care providers.
- Rural health organizations.
- Advocacy groups.
- Long-term care facilities, home health providers, or hospice providers.
- Indian Health Services, tribal health providers, or federally recognized tribe or tribal organizations.

Stakeholders interested in serving on the CHART advisory council should contact South Dakota Medicaid Director, William Snyder by March 1, 2021 at William.Snyder@state.sd.us.

Additional Information

For more information about the CHART model please refer to DSS's CHART website or [CMS's CHART website](#) or [DSS's CHART website](#).