

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](http://dss.sd.gov)



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**MEMORANDUM**

TO: Providers

FROM: Medical Services

DATE: January 11, 2010

RE: Institutional Provider Manual Hospital Outpatient Services Update

This memorandum serves as notification of a change made to the Outpatient Services portion of the Institutional Provider manual. The change is located on page 12 of the manual. The red highlighted section below marks the change made.

**SERVICES OTHER THAN OUTPATIENT LABORATORY AND OUTPATIENT SURGICAL PROCEDURES**

- Reimbursement for outpatient hospital services for an in-state acute care hospital that has more than 30 inpatient Medical Assistance Program discharges in the hospital's fiscal year ending after June 30, of the most current fiscal year, and before July 1, of the most current fiscal year, is based on reasonable costs with the following exceptions:

(a) Costs associated with the hospital employed certified registered nurse anesthetist services that relate to outpatient services are included as allowable costs; and

(b) All capital and education costs incurred for outpatient services are included as allowable costs.

- Reimbursement for outpatient hospital services for the remaining in-state acute care hospital is at 90 percent of their usual and customary charge for the service provided.
- Reimbursement for out-of-state hospital outpatient services is according to the average reimbursement as of June 30, of the most current fiscal year, for the services provided in in-state hospital that had more than 30 Medical Assistance program discharges in their fiscal year ending after June 30, of the most current fiscal year and before July 1, of the most current fiscal year.
- For outpatient services incurred within three days immediately preceding the inpatient stay **for treatment of the same diagnosis, costs** are included in the Inpatient Services located on page 9 of this manual.

If you have any questions please feel free to contact our Telephone Service Unit at 1-800-452-7691.

Thank you.

Division of Medical Services