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State/Territory Name: South Dakota

State Plan Amendment (SPA) #: SD-09-008

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
1600 Broadway, Suite 700
Denver, CO 80202-4967



Region VIII

December 7, 2009

Deborah K. Bowman, Secretary
Department of Social Services
Richard F. Kneip Building
700 Governors Drive
Pierre, SD 57501-2291

RE: South Dakota #09-008

Dear Ms. Bowman:

This is your official notification that South Dakota State Plan amendment 09-008 has been approved effective July 1, 2009. This SPA exempts 2010 Census wages from income determination.

We want to take this opportunity to thank your staff for the hard and diligent work accomplishing this effort.

If you have any questions concerning this amendment, please contact Betty Strecker at (303) 844-7028.

Sincerely,

/s/

Richard C. Allen
Associate Regional Administrator
Division for Medicaid & Children's Health Operations

CC: Larry Iversen, Medicaid Director
Mark Zickrick

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:

09-8

2. STATE

SOUTH DAKOTA

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
July 1, 2009

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

1931
1902(r)(2); Section ~~R31~~ of the Act; ~~Section 2102(b)~~

7. FEDERAL BUDGET IMPACT:

a. FFY09--\$0

b. FFY10--\$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 2.6-A, Supplement 8a, pp. 1 & 2
Attachment 2.6-A, Supplement 12a, p. 2

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Attachment 2.6-A, Supplement 8a, pp. 1 & 2
Attachment 2.6-A, Supplement 12a, p. 2

10. SUBJECT OF AMENDMENT:

This State Plan Amendment exempts 2010 Census wages from income determination.

11. GOVERNOR'S REVIEW (Check One):

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Deborah K. Bowman

14. TITLE:

Department Secretary

15. DATE SUBMITTED:

9/18/09

16. RETURN TO:

Department of Social Services
Division of Medical Services
700 Governors Drive
Pierre SD 57501-2291

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

9/18/09

18. DATE APPROVED:

12/7/09

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

7-1-09

OFFICIAL:

21. TYPED NAME:

Richard C. Allen

22. TITLE:

Associate Regional Administrator

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Dakota

MORE LIBERAL METHODS OF TREATING INCOME
UNDER SECTION 1902(r)(2) OF THE ACT*

 Section 1902(f) State X Non-Section 1902(f) State

- A. The following income method applies to children covered under Section 1902(a)(10)(A)(i)(III) of the Act, who are defined in 1905(n)(2) of the Act:

The State shall disregard \$1.00 plus the amount equal to the difference between 140 percent of the Federal Poverty Level (FPL), as revised annually in the *Federal Register*, for a family the size of the Medicaid budget unit involved and the corresponding State AFDC payment standard for a family the size of the Medicaid budget unit involved.

(The disregard shall be applied by using 140 percent of the FPL for the appropriate budget unit size as the income standard.)

The State shall disregard an amount equal to the difference between \$90 and 20 percent of the gross earnings of each employed parent.

The above more liberal methods of treating income is based on the understanding that the State will be allowed to utilize enhanced federal funding under Title XXI of the Social Security Act for uninsured qualified children age 6 but not yet age 19 with family income between 100 percent and 140 percent of the FPL and for all uninsured qualified children under age 6 with family income between 133 percent and 140 percent of the FPL.

The State shall disregard all wages paid by the Census Bureau for temporary employees related to Census 2010 activities.

- B. The following income method applies to individuals defined as Qualified Medicare Beneficiaries (QMB), Specified Low-Income Medicare Beneficiaries (SLMB), and Qualifying Individual -1 (QI-1) in sections 1902(a)(10)(E), 1905(p)(3), and 1933 of the Social Security Act:

The State shall disregard an amount equal to the amount of otherwise countable in-kind income received by an applicant or recipient of one of the programs specified in B. above.

The State shall disregard all wages paid by the Census Bureau for temporary employees related to Census 2010 activities.

- C. The following income method applies to individuals defined as AFDC-related individuals, poverty level related pregnant women, infants, and children in sections 1902(a)(10)(A)(i)(III), 1902(a)(10)(A)(i)(IV), 1902(a)(10)(A)(i)(VI), 1902(a)(10)(A)(i)(VII), 1902(a)(10)(A)(ii)(I), and 1905(a)(i) of the Act:

Revision: HCFA-PM-91-4 (BPD)
August 1991
OMB No.: 0938-

Supplement 8a to Attachment 2.6-A
Page 2

The State shall disregard an amount equal to any additional payment received under chapter 5 of title 37, United State Code, by a member of the United States Armed forces deployed to a designated combat zone. This additional payment shall be excluded from household income for the duration of the member's deployment if the additional pay is the result of deployment to or while serving in a combat zone and it was not received immediately prior to serving in the combat zone.

The State shall disregard all wages paid by the census Bureau for temporary employment related to the Census Test 2006 project.

The State shall disregard all wages paid by the Census Bureau for temporary employees related to Census 2010 activities.

- D. The following income methodology applies to individuals covered in Section 1902(a)(10)(A)(ii)(XIII) of the act:

The State shall exclude all income of the individual's spouse.

The State shall disregard all wages paid by the Census Bureau for temporary employees related to Census 2010 activities.

*More liberal methods may not result in exceeding gross income limitations under section 1903(f).

3. Disregard all income below 185 percent of the need standard by family size after the family passes the 185 percent test.
4. In no cases will income specifically referenced to be excluded in determining eligibility under any Federal or Federally assisted program in Federal statutes be counted.
5. Disregard monthly earned income of dependent children in the determination of whether the family income exceeds 185 percent of the need standard.
6. Disregard an amount equal to any additional payment received under Chapter 5 of Title 37, United States Code, by a member of the United States Armed Forces deployed to a designated combat zone. This additional payment shall be excluded from household income for the duration of the member's deployment if the additional pay is the result of deployment to or while serving in a combat zone and it was not received immediately prior to serving in the combat zone.
7. Disregard all wages paid by the Census Bureau for temporary employment related to the Census Test 2006 project.
8. Disregard all wages paid by the Census Bureau for temporary employment related to Census 2010 activities.

The income and/or resource methodologies that the less restrictive methodologies replace are as follows:

1. Exclusion of a vehicle with an equity value of \$1,500;
2. It allows a \$1,000 family resource allowance;
3. Applying both the 185 percent gross income and a "net income" test after applying income deductions for income tax, day care, etc.;
4. Counting earnings of children in the 185 percent test;
5. Excluding monthly earned income of dependent child based on student and employment status;
6. No previous methodology existed; and
7. Counting wages paid by Census Bureau for temporary census project employment.

_____ The agency terminates medical assistance (except for certain pregnant women and children) for individuals who fail to meet TANF work requirements.

_____ The agency continues to apply the following waivers of provisions of Part A of Title IV in effect as of July 16, 1996, or submitted prior to August 22, 1996, and approved by the Secretary on or before July 1, 1997.