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**State/Territory Name: South Dakota**

**State Plan Amendment (SPA) #: 21-0005**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS Form 179
- 3) Approved SPA Page

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, MD 21244-1850



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**Financial Management Group**

August 20, 2021

Laurie R. Gill  
Cabinet Secretary  
Department of Social Services  
700 Governors Drive  
Pierre, South Dakota 57501-2291

Re: South Dakota 21-0005


Dear Ms. Gill:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 21-0005. Effective for services on or after June 1, 2021, this amendment revises the qualifying criteria for traumatic brain injury or spinal cord injury add-on payment for individuals residing in a nursing facility. In addition, it allows flexibility for individuals to qualify for this add-on payment in circumstances where completing an actual rehabilitation program is not appropriate.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30) and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment TN 21-0005 is approved effective June 1, 2021. The CMS-179 and the amended plan page are attached.

If you have any questions, please contact Christine Storey at [Christine.storey@cms.hhs.gov](mailto:Christine.storey@cms.hhs.gov) or (303) 844-7044.

Sincerely,

  
For  
Rory Howe  
Acting Director

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	<b>1. TRANSMITTAL NUMBER:</b> SD-21-0005	<b>2. STATE:</b> South Dakota
	<b>3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)</b>	
<b>TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE &amp; MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>	<b>4. PROPOSED EFFECTIVE DATE</b> June 1, 2021	

**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)**

<b>6. FEDERAL STATUTE/REGULATION CITATION:</b> 42 CFR § 447.201 and 42 CFR 447 Subpart C	<b>7. FEDERAL BUDGET IMPACT:</b> a. FFY 2019: \$ 0.00 b. FFY 2020: \$ 0.00 <b>See Remarks in Block 23</b>
<b>8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:</b> Attachment 4.19-D, page 15	<b>9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):</b> Attachment 4.19-D, page 15
<b>10. SUBJECT OF AMENDMENT:</b> The proposed State Plan Amendment allows flexibility for individuals to qualify for a traumatic brain injury or spinal cord injury add-on payment in circumstances where completing an acute rehabilitation program is not appropriate.	


**11. GOVERNOR'S REVIEW (Check One):**

GOVERNOR'S OFFICE REPORTED NO COMMENT


OTHER, AS SPECIFIED:

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

<b>12. SIGNATURE OF STATE AGENCY OFFICIAL:</b> 	<b>16. RETURN TO:</b>  DEPARTMENT OF SOCIAL SERVICES DIVISION OF MEDICAL SERVICES 700 GOVERNORS DRIVE PIERRE, SD 57501-2291
<b>13. TYPED NAME:</b> Laurie R. Gill	
<b>14. TITLE:</b> Cabinet Secretary	
<b>15. DATE SUBMITTED:</b> June 17, 2021	

**FOR REGIONAL OFFICE USE ONLY**

<b>17. DATE RECEIVED:</b> June 17, 2021	<b>18. DATE APPROVED:</b> August 20, 2021
<b>PLAN APPROVED - ONE COPY ATTACHED</b>	
<b>19. EFFECTIVE DATE OF APPROVED MATERIAL:</b> June 1, 2021	<b>20. SIGNATURE OF REGIONAL OFFICIAL:</b>  For
<b>21. TYPED NAME:</b> Rory Howe	<b>22. TITLE:</b> Acting Director, Financial Management Group

**23. REMARKS:** State authorized P&I change to block 7 on 07/08/21. 7a should be FFY 2021 and 7b should be FFY 2022.

11. The Department may allow an add-on payment for the In-state care of recipients needing extraordinary care. This payment is designed to recognize and compensate providers for patients who require an inordinate amount of resources due to the intensive labor involved in their care that is not captured in the normal case mix reimbursement methodology. Such an add-on payment requires prior authorization. The individual requiring extraordinary care must be a South Dakota Medicaid recipient and must meet nursing facility level of care as defined in ARSD 67:45:01.

Extraordinary care recipients are:

- a. Chronic Ventilator Dependent Individuals—Individuals who are ventilator dependent due to major complex medical disease or other accidents.
- b. Chronic Wound Care Recipients—Individuals who need therapeutic dressings/treatments/equipment that are designed to actively manipulate the sound healing process.
- c. Behaviorally Challenging Individuals—Individuals who meet the following criteria:
  1. Have a history of regular/recurrent, persistent disruptive behavior which is not easily altered. Behaviors which require increased resource use or nursing facility staff must exist, and
  2. Have an organic or psychiatric disorder of thought, mood, perception, orientation, memory, or social history which significantly affects behavior and is interfering with care and placement. Social history refers to convicted sexual offenders, inmates, or individuals who are otherwise challenging due to past behaviors.

Individuals receiving specialized rehabilitation services are excluded from this rate.

- d. Traumatic Brain or Spinal Cord Injured—Individuals who have had an injury to the skull, brain, or spinal cord. The injury may produce a diminished or altered state of consciousness resulting in impairment in cognitive abilities or physical functioning, as well as behavioral and/or emotional functioning. The individual must have either 1) completed an acute rehabilitation program in another facility and be continuing the rehabilitation plan or, 2) if an individual does not qualify for an acute rehabilitation program, they must have a physiatry consultation documenting the ability and willingness to participate in and benefit from therapy. Documentation must also show that the individual is alert and able to follow simple directions, medically stable, and no longer needing acute level of care. If an individual already resides in a skilled nursing facility and is not able to receive a physiatry consultation (either face to face or virtual), a licensed therapist may also perform the assessment.
- e. Individuals requiring total parenteral nutritional therapy—Individuals who meet the following criteria:
  1. Have an internal body organ or body function such as severe pathology of the alimentary tract which does not allow absorption of sufficient nutrients to maintain weight and strength commensurate with the individual's general condition.
  2. Have a physician's order or prescription for the therapy and medical documentation describing the diagnosis and the medical necessity for the therapy.
  3. The therapy is the only means the individual has to receive nutrition.