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

South Dakota Medicaid
Thursday, April 23, 2026
Medicaid Advisory Committee Meeting Minutes

Medicaid Advisory Council (MAC) Attendees
Dr. David Basel, Population Health Officer, Avera Health; **Darren Crowe**, Consultant, Rosebud Sioux Tribe; **Mikki Donelson,** Beneficiary Advisory Council; **Dr. Jennifer Haggar**, Pediatrician, Sanford Health; **Dr. Scott Kennedy,** Optometrist, Lifetime Eyecare; **Mary Johnle**, Program Administrator, South Dakota Economic Assistance; **Erik Nelson,** Government Relations, AARP of South Dakota**; Jacob Parsons,** Director of Advocacy and Reimbursement, South Dakota Association of Healthcare of Organizations; **Alan Solano**, Vice President of Government Affairs, Monument Health; **Shelly Ten Napel,** CEO, Community Healthcare Association of the Dakotas (CHAD); **Dr. Karli Williams**, Black Hills Pediatric Dentistry

Could not attend: Julie Kopp, Beneficiary Advisory Council

Other Attendees
Matthew Ballard, Deputy Director, South Dakota Medicaid; **Dr. Clarissa Barnes**, Chief Medical Officer, South Dakota Medicaid; **Danielle Frank**, Quality Assurance, Division of Long Term Services and Supports, Department of Human Services; **Renae Hericks,** Policy and Program Manager, South Dakota Medicaid**; Ashley Lauing**, Policy Strategy Manager, South Dakota Medicaid; **Kara Peery**, Medical Program Specialist, South Dakota Medicaid; **Heather Petermann**, Director, South Dakota Medicaid; **Shawnie Rechtenbaugh**, Cabinet Secretary, South Dakota Department of Human Services; **Ben May** and **Sharon Chontos**, MAC Coordinators, North Star Solutions

Guests
Bethany Curtis, Beneficiary Advisory Council; Naomi Gaspard, Policy Manager, AIDS Institute; Leah Belgarde, Intergovernmental Affairs Liaison, Great Plains Tribal Leaders' Health Board

Welcome and Overview
Ashley Lauing, Policy Strategy Manager with South Dakota Medicaid, welcomed the MAC members. Heather Petermann, Director of South Dakota Medicaid, thanked the MAC members for their feedback and guidance.

MAC Meeting Minutes
The MAC members reviewed the minutes and did not have suggested edits. The January 2026 MAC minutes can be found on the MAC website.

Beneficiary Advisory Council (BAC) Meeting Overview
Ben May, MAC Coordinator, reported the BAC meeting covered the following topics:

- HOPE Waiver
- Cost Sharing
- HR1 Communications
- Medical Frailty
- Rural Health Transformation Plan

The BAC members provided several recommendations on public facing documents. Overall, their feedback was invaluable. There are two individual positions that are termed out. If you have a recommendation of an individual for the BAC, let Ben know and he will forward them an application form.

HOPE Waiver Renewal
Danielle Frank, Quality Assurance, Department of Human Services – Division of Long-Term Services and Supports reviewed the HOPE waiver. The waiver was out for public comments through April 24, 2026. The MAC members did not have any feedback or questions. The slides can be found on the MAC website.

State Plan Amendments
Renae Hericks**,** Policy and Program Manager, South Dakota Medicaid, covered the state plan amendments outlined in the slides. The slides can be found on the MAC website.

Q: Crowe. Will tribes be able to negotiate the care coordination supplemental payments?

A: 638 providers can participate in care coordination agreements/shared savings contracts; however, they have not participated thus far.

Q: Basel. How much funding is allocated for the Primary Accountable Care Transformation (PACT) Quality Payment in the Rural Health Transformation (RHT) program?

A: $7M for PACT and $2M for Care Connect. RHT provides an excellent opportunity to accelerate the PACT program and tying payment with quality.

Cost Sharing
Matthew Ballard, Deputy Director, South Dakota Medicaid, presented the cost sharing federal requirements and Soth Dakota Medicaid's draft proposals. The slides can be found on the MAC website.

Q: Basel. Ideally, it would be good to require cost share from non-urgent emergency department visits. However, I understand the administrative burden in doing so.

A: Emergency services are federally exempt. Non-emergent emergency department services could have a cost share. Initial analysis suggested the volume is low for non-emergent emergency department services for individuals that will be subject to cost sharing.

Q: Basel. Is the intent to curb inappropriate costs or comply to federal law?

A: The department has to comply with the cost share provisions in HR1. As cost sharing was previously removed for a variety of reasons, the intent is to implement a reasonable policy that is considerate of stakeholder challenges related to cost sharing.

Comment: Ten Napel. I would recommend not adding more than what is already proposed as it will be an administrative burden to collect the cost share.

Q: Parsons. When cost share was removed, it significantly lessened administrative burden. With cost share back in place, it will cost more than $5 or $20 to collect it. If it is too difficult or impossible to collect, can it be waived?

A: The law allows providers to waive cost sharing. It is possible CMS may release further guidance regarding this provision.

Comment: Basel. If providers can leverage PACT to address non-urgent emergency department visits, that would be best for the provider and the patient.

Q: Petermann. At the BAC we discussed if there are other services that should include cost sharing. Does the MAC have any feedback on this?

Response: No other services were suggested by the MAC members.

Comment: Donelson. During the BAC meeting, we agreed that paying $20 versus thousands of dollars for a surgery is completely fair. Yes, it may be difficult if it was $5 or $20 but it is much better than paying the entire bill.

Comment: Williams. Dental procedures are a proposed cost share. The dentists already lose money on Medicaid reimbursements and are frustrated. The cost share will add further administrative burden.

HR1 Communications

Mary Johnle, Program Administrator, South Dakota Medicaid, reviewed the communication materials and encouraged the MAC members to provide further feedback. The attachments can be found on the MAC website.

Q: Donelson. Will you send both the letter and the brochure regarding community engagement? They may not read the letter. They will likely read the brochure.

A: Yes, we will use several venues to communicate with the beneficiaries.

Q: Ten Napel. This is an enormous lift for everyone working with patients. How do we manage exemptions? Can we have deep dive conversations with South Dakota Medicaid on this topic? I would like to have my team weigh in.

A: We anticipate this will be a standing topic for the MAC / BAC going forward. We are waiting for CMS guidance before we can finalize processes and have a larger conversation. We will have town hall webinars for patients, providers, and stakeholders this summer. We have also drafted communications including a form that could be used for community engagement validation which will be signed by an authorized representative of the agency.

Medical Frailty

Dr. Clarissa Barnes, Medical Director, South Dakota Medicaid, reviewed the definition of medical frailty and CMS guidance. The slides can be found on the MAC website.

Q: Basel. We will participate and meet the requirements as defined. Is there any way to remove the burden to the patients and providers?

A: We have the same goal to reduce burden for both patients and providers and will aim to do so.

Comment: Hagger. I agree with this proposed policy. There may be some ambiguity for physicians. The clearer the guidelines, the better. We want to protect the relationship between providers and patients.

Q: Parsons. How many individuals do you anticipate this will impact?

A: The proposed policy will only impact the expansion population; therefore, the numbers will be very small.

Q: Solano. I agree that it will be important to minimize the burden on patients and providers. If the department transmitted to providers, there may be a gap in identifying providers.

A: We will take this into account when developing processes.

Q: Ten Napel. What types of diagnosis are included?

A: Refer to the slides provided. We will develop code sets that consider the impact if there is a gap in services. However, diagnosis such as hypertension and Type 2 diabetes will not be included.

Q: Ten Napel. What happens if there is no or delayed claims data?

A: Economic Assistance will develop a workflow for enrollment and screening. The goal will be to attain all or most of the information at the front end. If needed, we have them fill out a medical screener.

Q: Crowe. Trauma leads to medical frailty diagnosis. How will that be accounted for?

A: The Native American population is excluded. However, trauma can impact anyone. We recognize this may be a challenge.

Rural Heath Transformation (RHT) Plan
Matthew Ballard, Deputy Director, South Dakota Medicaid, reviewed the status of the RHT program. The RFPs should be released in second quarter of 2026. The slides can be found on the MAC website.

Q: Ten Napel. What do you envision for the population health and case management tool?

A: The goal of the shared case management tool and population health tool is to support the shared case management option. We envision small clinics, particularly those that may not have the resources to procure such a system independently, may also be able to use it.

Comment: Basel. There are vendor solutions on the market for case management and population health tools.

Q: Basel. What is the status of Nexus SD? Is there a proposed project to link community-based organizations with providers?

A: Nexus SD is no longer supported. There is currently no project within the DSS component of the RHT programs that links community-based organizations with provider partners.

MAC Membership
Two MAC members are leaving after reaching their term limits. Dr. Scott Kennedy and Jacob Parsons were thanked by South Dakota Medicaid for their service over the past year. When the MAC was reestablished last year, member terms staggered at one, two, and three years. Moving forward, all new members will serve three-year terms. Individuals may reapply one year after completing their service on the MAC.

Closing Remarks
Ashley concluded the meeting by thanking the MAC members for attending the meeting and providing valuable feedback. If MAC members have any questions, they are welcome to reach out via email or a phone call to discuss.

Future Meetings:

- 07/23/2026 – Sioux Falls – One Stop Building
- 10/22/2026 – Pierre – Kneip Building
- 01/28/2027 – Virtual