

# 2018 Annual Report: Provider Reimbursement Rate Methodology Review

Pursuant to SDCL 28-22

Dept	Service	FY19 Rates	Current Methodology							Results of Analysis				
			\$Y19 Budget (Total Funds)	Source Data Year	Rate Calculation - most recent data available	Total Cost to Reach 100% Methodology	General Fund Cost to Reach Methodology	Percent of Methodology Currently Paid	Year Analysis Completed	Rate Calculation	Total Cost to Reach Methodology	General Fund Cost to Reach 100% Methodology	Percent of Methodology Currently Paid	
DHS	In Home Services (Homemaker / Nursing)	Nursing \$58.72 / hr Homemaker \$27.40 / hr	\$ 15,189,006	2017	Nursing \$68.88 / hr Homemaker \$34.84 / hr	\$ 4,143,420	\$ 1,765,511	82%						
DSS	In Home Services (Homemaker / Nursing)	Nursing \$58.72 / hr Homemaker \$27.40 / hr LPN \$42.00 / hr	\$ 6,051,802	2017	Nursing \$68.88 / hr Homemaker \$34.84 / hr LPN \$45.48 / hr	\$ 969,265	\$ 413,004	82%						
DSS	Group Care	\$154.86 / day	\$ 3,731,769	2017	\$177.87 / day	\$ 436,649	\$ 436,649	87%						
DOC	Group Care	\$154.86 / day	\$ 2,640,063	2017	\$177.87 / day	\$ 411,880	\$ 411,880	87%						
DSS	Independent Living	\$98.38 / day	\$ 350,514	2017	\$109.09 / day	\$ 37,725	\$ 37,725	90%						
DOC	Independent Living	\$98.38 / day	\$ 546,182	2017	\$109.09 / day	\$ 30,070	\$ 30,070	90%						
DSS	Psychiatric Residential Treatment	\$219.69 / day avg of multiple rates	\$ 26,052,693	2017	\$244.03 / day	\$ 2,627,292	\$ 1,119,489	90%						
DOC	Psychiatric Residential Treatment	\$219.69 / day avg of multiple rates	\$ 6,208,011	2017	\$244.03 / day	\$ 189,332	\$ 80,674	90%						
DSS	Behavioral Health-Substance Use Disorder (outpatient, counseling, low-intensity residential, inpatient)	Outpx Counseling \$23.04 / 15 min Outpx Counseling Grp \$5.91 / 15 min Low-intensity residential \$50.77 / day Inpatient Tx \$226.86 / day	\$ 19,748,305	2017	Outpx Counseling \$25.42 / 15 min Outpx Counseling Grp \$6.35 / 15 min Low-intensity residential \$57.70 / day Inpatient Tx \$234.09 / day	\$ 953,230	\$ 880,882	90%	On-going (a)	Outpx Counseling \$23.41 / 15 min Outpx Counseling Grp \$6.55 / 15 min Low-intensity residential \$59.43 / day Inpatient Tx not final	\$ 1,945,832	\$ 1,935,087	On-going (a)	
DHS	Assisted Living	\$48.32 / day	\$ 11,469,372	2017	\$52.63 / day	\$ 1,098,451	\$ 468,050	92%	Dec 2018	\$57.91 / day	\$ 2,021,048	\$ 861,169	83%	
DSS	Behavioral Health - Mental Health (IMPACT, CARE, SED, Outpatient)	IMPACT \$74.75 / day CARE \$67.59 / day SED \$26.72 / 15 min Outpx Psychiatry \$58.02 / 15 min	\$ 19,645,301	2017	IMPACT \$74.93 / day CARE \$68.28 / day SED \$27.20 / 15 min Outpx Psychiatry \$82.54 / 15 min	\$ 957,282	\$ 700,680	90%						
DHS	Community Support Providers (CSPs)	Adult avg: \$134.36 / day Child Avg: \$186.12 / day	\$ 131,461,367	2017	Adult avg: \$137.32 / day Child Avg: \$190.22 / day	\$ 2,278,200	\$ 970,741	98%						
DSS	Behavioral Health - Justice Involved Populations (FFT, CBISA) (b)	FFT \$225.07 / session CBISA \$68.07 / session	\$ 9,665,058											
DHS	Nursing Homes	\$156.37 / day	\$ 146,945,318	2017	\$159.56 / day	\$ 4,114,478	\$ 1,753,179	98%						
<b>Totals</b>											<b>\$ 3,966,880</b>	<b>\$ 2,796,256</b>		

**Key:**

Current Methodology: Information regarding the current methodology used to calculate reimbursement rates.  
 SFY2019 Budget: Total funds budget for each service.  
 Source Data Year: Year of source data used to calculate rates (cost report, Medicare fee schedules, etc.).  
 Total Cost to Reach Methodology: Fiscal impact of rate calculation based on most recent utilization data available.  
 General Fund Cost to Reach Methodology: General Fund share of Total Cost to Reach Methodology.  
 Percent of Methodology Paid: Current reimbursement rates as a percentage of Rate Calculation based on most recent data available.

Results of Analysis: Information regarding proposed changes to reimbursement methodologies. Compares current rate to proposed methodology.  
 Year Analysis Completed: Year the reimbursement methodology was reviewed.  
 Rate Calculation: Rate calculation based on reimbursement methodology. Costs were indexed forward by CPI-U of 2.25% (SFY18) and 2.25% (SFY19).  
 Total Cost to Reach Methodology: Fiscal impact of rate calculation based on most recent utilization data available.  
 General Fund Cost to Reach Methodology: General fund share of Total Cost to reach Methodology.  
 Percent of Methodology Paid: Current reimbursement rate as a percentage of rate calculation.

(a) Review is still on-going to be completed by the end of state fiscal year 2019. Dollars to reach methodology reflect analysis to date.  
 (b) Current Methodology data not yet available due to recent implementation of programs.