

2022 Annual Report: Provider Reimbursement Rate Methodology Review

Pursuant to SDCL 28-22

| Scheduled Year of Review | Dept | Service | SFY23 Rates | SY23 Budget (Total Funds) | Source Data Year | Rate Calculation | Total Cost to Reach 100% Methodology | General Fund Cost to Reach Methodology | Percent of Methodology Currently Paid |
|--------------------------|--------------------|---|---|--|------------------|--|--|--|---|
| Year 1: SFY2023 | DHS | In Home Services (Nursing/ Homemaker) | Nursing \$78.24 / hr Homemaker \$33.96 / hr Adult Companion \$29.32 / hr | \$ 33,160,411 | 2021 | Nursing \$85.68 / hr LPN \$71.28 / hr Homemaker \$40.88 / hr Adult Companion \$39.56 / hr | \$ 5,629,128 | \$ 2,868,557 | 91.3% 109.8% 83.1% 74.1% |
| | DSS | In Home Services (Nursing) | Nursing \$78.24 / hr LPN \$51.64 / hr | \$ 9,191,152 | 2021 | Nursing \$85.68 / hr LPN \$71.28 / hr | \$ 1,220,573 | \$ 483,103 | 91.3% 72.4% |
| | DSS | Group Care | Group \$215.72/ day | \$ 5,482,051 | 2022 | Group \$273.45/ day | \$ 1,525,295 | \$ 1,525,295 | 78.9% |
| | DOC | Group Care | Group \$215.72/ day | \$ 4,794,564 | 2022 | Group \$273.45 / day | \$ 1,134,327 | \$ 1,134,327 | 78.9% |
| | DSS | Independent Living | IL \$97.07 / day | \$ 428,165 | 2021 | IL \$132.91 / day | \$ 257,701 | \$ 257,701 | 73.0% |
| | DOC | Independent Living | IL \$97.07 / day | \$ 110,491 | 2021 | IL \$132.91 / day | \$ 28,817 | \$ 28,817 | 73.0% |
| | DSS | Psychiatric Residential Treatment / Intensive Residential Treatment | PRTF \$280.98 / day IRT \$395.95 / day | \$ 31,917,181 | 2022 | PRTF \$392.72 / day IRT \$525.30 / day | \$ 14,500,189 | \$ 5,739,175 | 71.5% 75.4% |
| | DOC | Psychiatric Residential Treatment / Intensive Residential Treatment | PRTF \$280.98 / day IRT \$395.95 / day | \$ 3,962,014 | 2022 | PRTF \$392.72 / day IRT \$525.30 / day | \$ 524,263 | \$ 207,503 | 71.5% 75.4% |
| | DSS | Therapeutic Foster Care / Family Treatment Foster Care | Therapeutic \$90.58 / day Family Treatment \$175.44 / day | \$ 5,765,532 | 2021 | Therapeutic \$111.46 / day Family Treatment \$206.12 / day | \$ 1,715,858 | \$ 1,240,394 | 81.3% 85.1% |
| | Year 2: SFY2024 | DSS | Behavioral Health- Substance Use Disorder (SUD) | Outpx Counseling Ind \$26.53 / 15min Outpx Counseling Grp \$7.39 / 15min Low-Intensity Residential \$67.03 / day Low-Intensity PW \$156.16 / day Inpatient Tx \$217.07 / day PRTF \$354.63 / day Detox \$49.49 / 12 hour | \$ 38,696,047 | 2021 | Outpx Counseling Ind \$30.11 / 15min Outpx Counseling Grp \$8.39 / 15min Low-Intensity Residential \$76.08 / day Low-Intensity PW \$177.24 / day Inpatient Tx \$246.38 / day PRTF \$402.51 / day Detox \$56.17 / 12 hour | \$ 4,188,574 | \$ 3,611,095 |
| DHS | | Assisted Living | Base \$59.52 / day | \$ 20,182,819 | 2018 | Base \$67.56 / day Tier I \$79.71 / day Tier II \$92.55 / day | \$ 3,410,005 | \$ 1,349,680 | 88.1% 94.4% 94.4% |
| Year 3: SFY2025 | DSS | Behavioral Health - Mental Health | IMPACT \$86.06 / day CARE \$86.81 / day SED \$34.35/ 15 min indiv SED \$22.03 / 15 min group Psychiatry \$82.18 / 15 min CNP/PA \$73.97 / 15 min Room & Board \$99.77 / day Outpatient \$36.54 / 15 min FFT \$259.15 / Session JJRI Referral \$353.39 / Referral | \$ 38,574,816 | 2021 | IMPACT \$97.68 / day CARE \$98.53 / day SED \$38.98/ 15 min indiv SED \$25.00 / 15 min group Psychiatry \$93.28 / 15 min CNP/PA \$83.96 / 15 min Room & Board \$113.25 / day Outpatient \$41.47 / 15 min FFT \$294.14 / Session JJRI Referral \$401.11 / Referral | \$ 4,510,808 | \$ 3,008,195 | 88.1% 88.1% 88.1% 88.1% 88.1% 88.1% 88.1% 88.1% 88.1% |
| | DHS | Community Support Providers (CSPs) | Adult Avg: \$193.97 / day Child Avg: \$278.63 / day ICF/IID Avg: \$687.19 / day | \$ 191,126,241 | 2021 | CHOICES: Career Exploration \$15.34/hr Day Services \$17.66/hr Behavioral Support \$34.60/hr Supported Employment \$48.82/hr RH Group Home \$430.78/day RH Supervised Living \$205.54/day RH Monitored Living \$63.24/hr RH Family Home \$63.24/hr Shared Living \$221.69/day Children \$316.26/day ICF/IID \$779.99/day | \$ 58,042,523 | \$ 21,972,162 | 76.9% 76.9% 76.9% 76.9% 76.9% 76.9% 76.9% 76.9% 76.9% 88.1% 88.1% |
| Year 4: SFY2026 | DHS | Nursing Homes | NH \$206.74 / avg per day | \$ 189,830,431 | 2021 | NH \$259.07 / avg per day | \$ 48,969,459 | \$ 19,382,112 | 79.8% |
| Year 5: SFY2027 | DSS | Behavioral Health - SUD Prevention Services | Problem ID and Referral \$15.00, Info Dissemin & Educat \$12.75/15 min, Community Based \$13.75 / 15 min, Environment & Altern. \$12.00/15 min | \$ 2,923,078 | 2022 | Problem ID and Referral \$15.00, Info Dissemin & Educat \$12.75/15 min, Community Based \$13.75 / 15 min, Environment & Altern. \$12.00/15 min | - | - | 100% |

Key:

Current Methodology: Information regarding the current methodology used to calculate reimbursement rates.

SFY2023 Budget: Total funds budget for each service.

Source Data Year: Year of source data used to calculate rates (cost report, Medicare fee schedules, etc.).

Rate Calculation: Rate calculation based on reimbursement methodology. Costs were indexed forward by CPI-U of 7.16% (SFY22 final), 7.16% (SFY23 est.), and 7.16% (SFY24 est.) - for DSS & DOC groups

Rate Calculation: Rate calculation based on reimbursement methodology. Costs were indexed forward by CPI-U of 7.16% for DHS groups.

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.

Cycle #1 Year 1 SFY2018 - Year 5 SFY2022

Cycle #2 Year 1 SFY2023 - Year 5 SFY2027

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.

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.