



## DEPARTMENT OF HUMAN SERVICES

Division of Long Term Services & Supports  
Hillsview Plaza, 3800 East Highway 34  
c/o 500 East Capitol Avenue  
Pierre, SD 57501

**PHONE:** 605-773-3656 or  
1-866-854-5465

**FAX:** 605-773-4085

**WEB:** [dhs.sd.gov](http://dhs.sd.gov)

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### **Add-On Payment Information Requirements for Individuals Who are Behaviorally Challenging**

When Medicaid is the primary payor for a resident of a South Dakota nursing home, the facility may request an additional add-on payment above and beyond the normal nursing facility reimbursement for those individuals needing extraordinary care which is not addressed in the normal reimbursement methodology. Medicaid reimbursement for services provided to a recipient residing in state shall be the per diem rate plus a negotiated rate to cover additional extraordinary treatment.

The Department will negotiate with providers on a case-by-case basis to determine the negotiated rate for recipients requiring extraordinary care. Providers are responsible for notifying the Department of significant changes in an individual's condition. A new rate may be negotiated when this change occurs.

The add-on payment will be negotiated on an individual basis between the Department of Human Services and the provider. The negotiated rate shall be an all-inclusive reimbursement rate for all services and supplies furnished by the facility in the care and treatment of the recipient, except as otherwise agreed by the Department. The negotiated rate may not exceed the actual cost of the services provided to the recipient.

Extraordinary care includes caring for individuals who are behaviorally challenging as defined below

- Individual must meet the criteria for SD Medicaid;
- Individual must meet the criteria for nursing facility level of care;
- Individual has a history of regular/recurrent persistent disruptive behavior which is not easily altered;
- Individual has behaviors which require increased resource use from nursing facility staff not addressed in the normal reimbursement methodology;
- Behavioral issues exist that are disruptive or interfering with care; and
- An organic or psychiatric disorder of thought, mood, perception, orientation or memory which significantly affects behavior and is interfering with care and placement.

For consideration of the add-on payment, the following information must be submitted to the Department of Human Services' Division of Long Term Services and Supports (LTSS). Contact Michelle Hudecek RN, LTSS Nurse Consultant Program Manager by phone at 773-3656 or email [Michelle.Hudecek@state.sd.us](mailto:Michelle.Hudecek@state.sd.us) if you have any questions on the process.

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1. Name of Resident \_\_\_\_\_
2. Resident's South Dakota Medicaid Number: \_\_\_\_\_
3. Provider's South Dakota Medicaid Number: \_\_\_\_\_
4. Provider Contact Name & Phone # for Clinical Information: \_\_\_\_\_
5. Information to submit includes:
  - Provide current signed physician progress notes that document the resident's behaviors and support that the behaviors are regular/recurrent, persistent, disruptive behaviors which are not easily altered.
  - Recent history and physical.
  - Copy of applicable lab and x-ray reports.
  - Copy of nurse's notes that document the behaviors and support the challenging behaviors.
  - Copy of treatment plans that are in place for the challenging behaviors.
  - Documentation that supports a need for reimbursement beyond the case-mix rate.

The above information must be submitted before the initial authorization or reimbursement can occur, and submitted on a monthly basis thereafter. The Department of Human Services will request additional information when needed to help determine authorization of services.

Once the above information is received, the Department of Human Services will review the medical information to determine if the criteria are met. If criteria have been met, the Department of Human Services' Office of Budget and Finance will calculate an additional payment rate based on the specific costs of the extraordinary care to be provided. A contract will be prepared and routed for signature indicating the agreement to provide specialized services as authorized.

Once approval is determined, the rate has been set, and a contract has been signed by both parties, a document will be provided to the facility and to the Department of Human Services' Office of Budget and Finance authorizing additional payment for the specified services, to include a period of authorization and the review date.