



**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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## **MEMORANDUM**

**DATE:** May 28, 2021

**TO:** LTSS Providers billing for In-Home/State Funded Services

**FROM:** Yvette Thomas, Director, Division of Long-Term Services & Supports' Department of Human Services (DHS)

**SUBJECT:** Payment Limits Process

In an effort to reduce the dollar amounts that are required to be pulled back when an overpayment occurs for In-Home Services/State Funded claims, a process to divide larger total reimbursement amounts into multiple payments will be implemented effective Monday May 31, 2021. The total reimbursement to the provider will not be reduced; however, individual payment limits will result in multiple payments when the total dollar amount for a submitted claim exceeds \$5000.

Additionally, in order to ensure that a claim for one consumer is not split into two separate payments, a secondary threshold of \$500 will be implemented. Essentially, any one payment will not exceed \$5000 unless this would result in a split payment for one consumer, at which time, up to \$5500 will be included in one payment in order to avoid two separate payments for one consumer.

The goal of implementing payment limits process is to reduce the financial burden on providers when an overpayment or payment error occurs for the State funded program (non-Medicaid). The payment limit process does NOT apply to Medicaid claims.

### **Example 1:**

A provider submits claims for 7 consumers that total \$6,500  
The Provider will receive 2 payments  
Payment A= \$5,000  
Payment B= \$1,500

### **Example 2:**

A provider submits claims for 20 consumers that total \$20,000  
The Provider will receive 4 payments  
Payment A= \$5,000  
Payment B= \$5,000  
Payment C= \$5,000  
Payment D= \$5,000

### **Example 3:**

A provider submits claims for 5 consumers that total \$6,500 – Both thresholds triggered:  
The Provider will receive 2 payments

- Consumer 1 = \$500
- Consumer 2 = \$1000
- Consumer 3 = \$500
- Consumer 4 = \$2,000
- Consumer 5 = \$1,250
  - Payment A will total: \$5,250
- Consumer 6 = \$750
- Consumer 7 = \$500
  - Payment B will total \$1,250