

**South Dakota DHS and Guidehouse  
DD Rate Setting  
Steering Committee Meeting  
June 30, 2021**

**Attendees**

- **Provider Representative:** Dan Cross
- **State Representatives:** Senator Jean Hunhoff, Secretary Shawnie Rechtenbaugh, Deputy Secretary Tom Martinec, Jaze Sollars, Joey Younie, Julie Hand, Samantha Hynes, Alana Suiter
- **Guidehouse:** Andrew Vidikan, Dennis Finnegan, Jeff Moor, Poorna Suresh

**Agenda**

**1. Welcome and Introductions**

Meeting Discussion:

- a. State and provider representatives introduced themselves
- b. Guidehouse team provided introduction and insights into experience with DD rate setting projects

**2. Operating Guidelines and Goals**

Meeting Discussion:

- a. Participant's reviewed DHS's and the steering committee's goals, and shared the following goals:
  - i. Build upon "best in class" methodologies to develop a methodology and model that will be approved by CMS
  - ii. Reduce billing and administrative burden for providers
  - iii. Other goals may come up that are not discussed initially, over the course of the project
- b. Reviewed the roles of the Steering Committee and the Rate Methodology Workgroup in assisting with the rate setting process
- c. Discussed feedback received from the Rate Methodology Workgroup kickoff session including workgroup goals, the rate modeling approach, and the project timeline
- d. DHS representative suggested the inclusion of the SB147 operating norm that specifies that the purpose and scope of the engagement does not include formulating recommendations on the adequacy of current funding levels.
- e. Discussed how Guidehouse will incorporate and use the findings of the pilot workgroup rebase including the completed pilot staffing survey (May 2020) where applicable; additional clarification and information on past work may be requested from providers
- f. Discussed the Independent Rate-Build Up Approach
  - i. Explore transitioning away from the current A3 model to an independent rate build-up approach
  - ii. Ability to develop individual factors that are reflective of provider costs and how services are delivered

**3. Work Plan and Timeline**

Meeting Discussion:

- a. Discussed accelerated project timeline and the final report's deadline of November 30, 2021
- b. Annual Report will outline the Workgroup's recommendations and decisions, and offer rationale for the final rate methodology

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**4. Next Steps**

Meeting Discussion:

- a. Steering Committee
  - i. Provide input on potential changes in rate modeling approach
- b. Guidehouse
  - i. Schedule bimonthly Steering Committee meetings
  - ii. Design provider survey and solicit feedback from the Rate Methodology Workgroup
  - iii. Conduct research on other states' reimbursement methodologies and finalize rate modeling approach
  - iv. Work with DHS to follow up on HCBS Final Rule requirements and timeline for waiver approval

**5. Questions and Answers**

Meeting Discussion

- a. Open question about how ICAP will feature in the new model
  - i. DHS and Guidehouse will provide more clarity on the proposed rate model in future meetings
- b. Open question about the typical timeline for CMS's waiver approval process
  - i. DHS and Guidehouse will follow up with additional information on the waiver review process, based on CMS requirements and Guidehouse's experience working with CMS and states.