



Joint Committee on Appropriations
REPRESENTATIVE CHRIS KARR, CO-CHAIR
SENATOR JOHN WIIK, CO-CHAIR

June 24, 2020

Ms. Laurie Gill, Secretary
Department of Social Services
Kneip Building
Pierre, SD 57501

Mr. Mike Leidholt, Secretary
Department of Corrections
Solem Building
Pierre, SD 57501

Ms. Shawnie Rechtenbaugh, Secretary
Department of Human Services
Hillsview Plaza
Pierre, SD 57501

Mr. Greg Sattizahn, State Court Administrator
Unified Judicial System
State Capitol Building
Pierre, SD 57501

Ms. Kim Malsam-Rysdon, Secretary
Department of Health
Robert Hayes Building
Pierre, SD 57501

Mr. Craig Price, Secretary
Department of Public Safety
Sutherland Building
Pierre, SD 57501

Letter of Intent Regarding Provider Inflation Approved in the 2020 Legislative Session

Dear Agency Leaders:

This Letter of Intent sets forth a particular view held by the Joint Committee on Appropriations (JCA) in approving your appropriation in the 2020 Legislative session. As such, this Letter of Intent seeks to supplement that legislation with specific policy guidance as approved on June 24, 2020.

While the guidance does not have the direct force of statutory law, it rests solidly on a long-standing tradition of Legislative-Executive relationships in South Dakota and it will be used by the JCA as one basis for the fiscal oversight of your agency and its continued funding.

The 2020 Legislature, through the FY2021 General Appropriations Act (House Bill 1294), approved a base funding increase of 2% for all provider groups as outlined in Attachment One. It is the intent of the Interim Joint Committee on Appropriations that in FY2021 these providers receive a base rate increase in conformity with Attachment One of this document.

2020 Legislative Session Letter of Intent

June 24, 2020

Page 2

Thank you for your cooperation.

Representative Chris Karr
Lead Co-Chair, Joint Committee on Appropriations

Senator John Wiik
Co-Chair, Joint Committee on Appropriations

cc: Marty Guindon, Auditor General
Liza Clark, Commissioner, Bureau of Finance and Management

FY2021 Discretionary Provider Inflation Increases

Provider Group		Inflationary Increase	General Funds	Federal Funds	Other Funds	Total Funds
DSS	Chiropractors	2.00%	6,378	8,851	-	15,229
DSS	Community Behavioral Health	2.00%	1,157,481	315,551	-	1,473,032
DSS	Correctional Behavioral Health	2.00%	156	-	7,281	7,437
DSS	Dentists	2.00%	175,021	242,890	-	417,911
DSS	Group Care	2.00%	77,615	-	-	77,615
DSS	Hospitals	2.00%	1,900,545	2,886,706	-	4,787,251
DSS	In Home Services	2.00%	63,810	88,553	-	152,363
DSS	Optometrists/Ophthalmologist	2.00%	16,320	22,648	-	38,968
DSS	Other Health Care	2.00%	162,087	224,941	-	387,028
DSS	Other Provider Groups	2.00%	659,057	150,216	4,889	814,162
DSS	Physicians	2.00%	602,502	836,137	-	1,438,639
DSS	Psychiatric Residential Treatment Facility	2.00%	277,489	385,094	-	662,583
DSS	Outpatient Psychiatric	2.00%	51,763	71,835	-	123,598
DSS	Emergency Transportation	2.00%	85,594	118,785	-	204,379
DOH	Correctional Healthcare	2.00%	-	-	17,344	17,344
DPS	Victim's Services	2.00%	-	-	11,894	11,894
DOC	Community Services	2.00%	43,373	-	-	43,373
DOC	Correctional Healthcare	2.00%	24,625	-	-	24,625
DOC	Group Care	2.00%	63,517	-	-	63,517
DOC	Psychiatric Residential Treatment Facility	2.00%	36,565	50,744	-	87,309
DHS	Assisted Living	2.00%	112,277	155,814	-	268,091
DHS	Community Support Provider	2.00%	1,262,755	1,745,298	49,635	3,057,688
DHS	Elderly Nutrition	2.00%	109,256	-	-	109,256
DHS	ICF/IID Children	2.00%	-	113,228	66,012	179,240
DHS	In Home Services	2.00%	400,052	301,124	-	701,176
DHS	Long Term Care	2.00%	1,689,205	2,344,235	-	4,033,440
DHS	Other Provider Groups	2.00%	12,447	-	-	12,447
UJS	Community Services	2.00%	53,411	-	-	53,411
Total Discretionary Provider Inflation			\$ 9,043,301	\$ 10,062,650	\$ 157,055	\$ 19,263,007