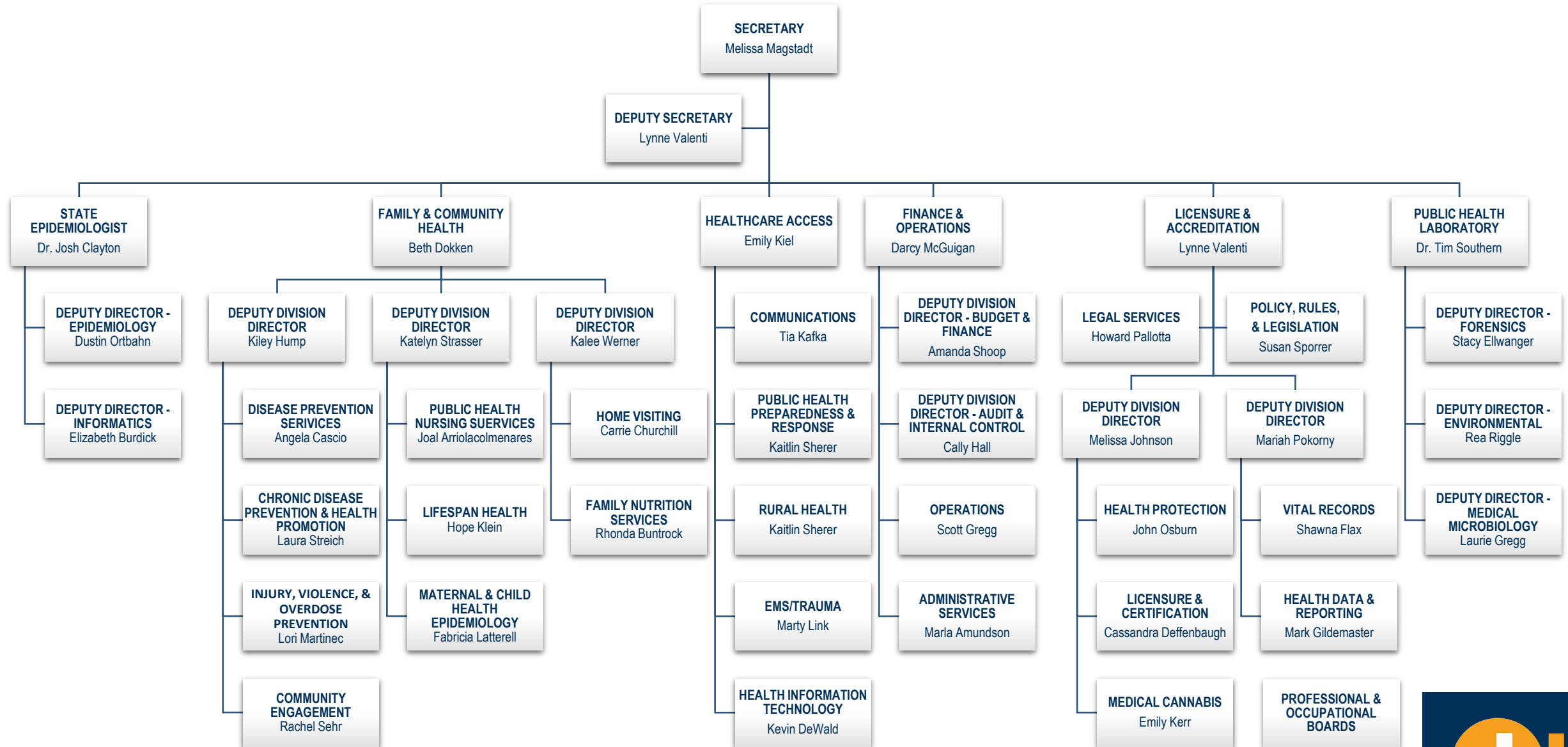# South Dakota Department of Health

FY2026 Budget Hearing

January 28th, 2024

8:30 AM

Divisions & Programs

Finance & Operations

Audit & Internal Controls
Budget & Finance
Operations
Administrative Services

Healthcare Access

Communications & Outreach
Rural Health
Public Health Preparedness & Response
Emergency Medical Services & Trauma
Health Information Technology

Licensure & Accreditation

Legal Services
Health Protection
Licensure & Certification
Medical Cannabis
Policy, Rules & Legislation
Vital Records
Health Data & Reporting
Professional & Occupational Boards

Divisions & Programs

Family & Community Health

Disease Prevention Services
Chronic Disease Prevention and Health Promotion
Community Engagement
Injury, Violence, and Overdose Prevention
Public Health Nursing
Lifespan Health
MCH Data
Home Visiting
Family Nutrition Services

Public Health Laboratory

Medical Microbiology
Forensic Chemistry
Medical Cannabis Laboratory
Environmental Chemistry

Epidemiology, Surveillance, & Informatics

Epidemiology
Infectious Disease Informatics

Quality Improvement Program

PLAN

DO

STUDY

ACT

Big Picture Improvements

- State Health Assessment (SHA)
- State Health Improvement Plan (SHIP)

DOH Improvements

- Strategic Plan
- EMS Sustainability Projects
- Licensing Board Restructures
- Rural Healthcare Delivery Analysis
- LEAN Projects:
  - Public Health Lab
  - Child and Family Services

Ongoing Quality Improvement

- Grants Governance
- Data Governance
- Contract Management

IT Related Projects List

Completed IT Projects
- Nexus SD – Community resource referral platform
- WIC Website Enhancements
- AI-enhanced geocoding process

Ongoing IT Projects
- Board of Medical Osteopathic Examiners Website and Data Base
- Board of Nursing Optimal Regulatory Board System licensure system
- Cobblestone – Contract Management System
- Data Lake Infrastructure
- Family and Community Health Knowledgebase
- Laboratory Information Management System (LIMS)
- South Dakota Health Link Upgrade
- Vital Records System
- Health care facility submitter data quality dashboards

Upcoming Projects
- Central Data Hub – Data Atlas
- American Indian Health Data dashboard
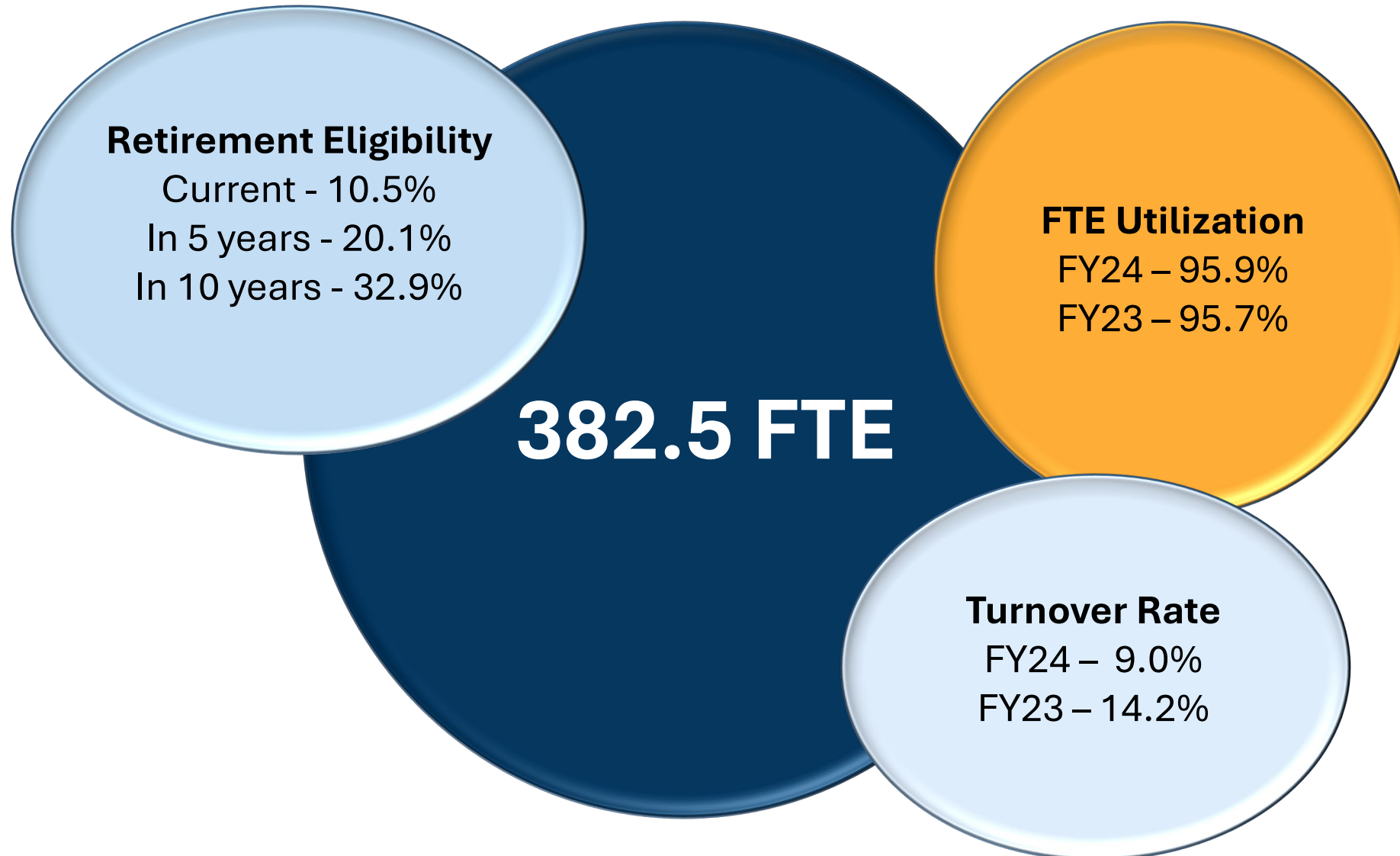- Newborn Screening Surveillance System

Workforce and Education Center

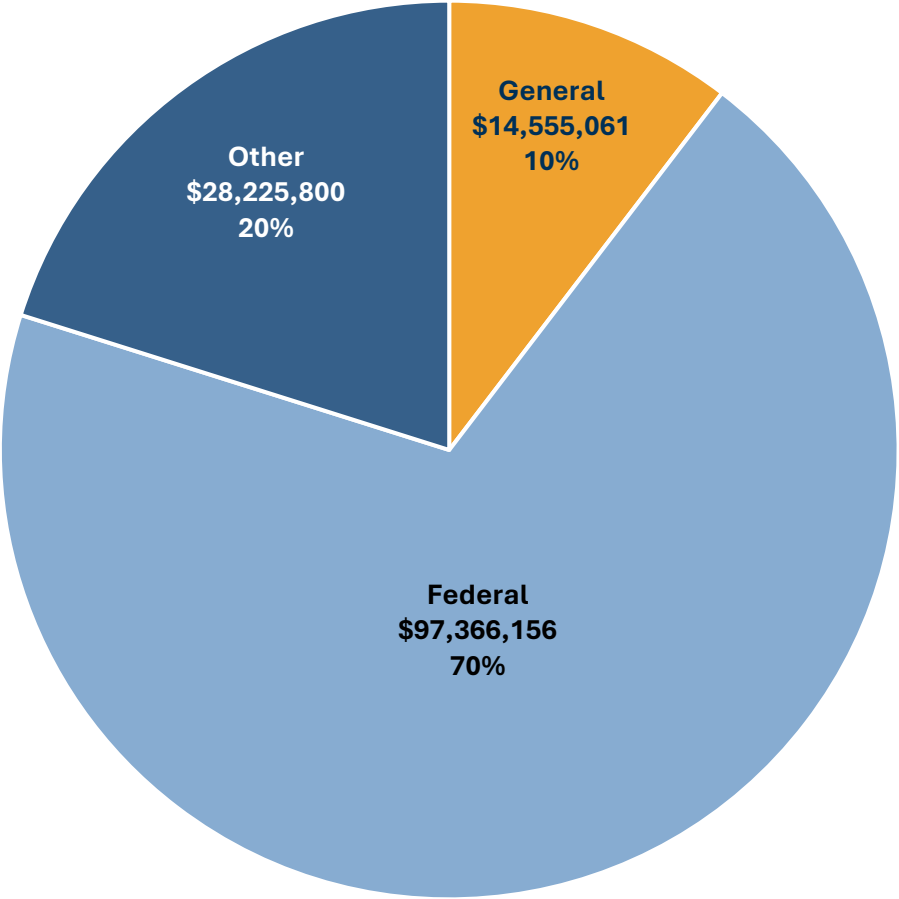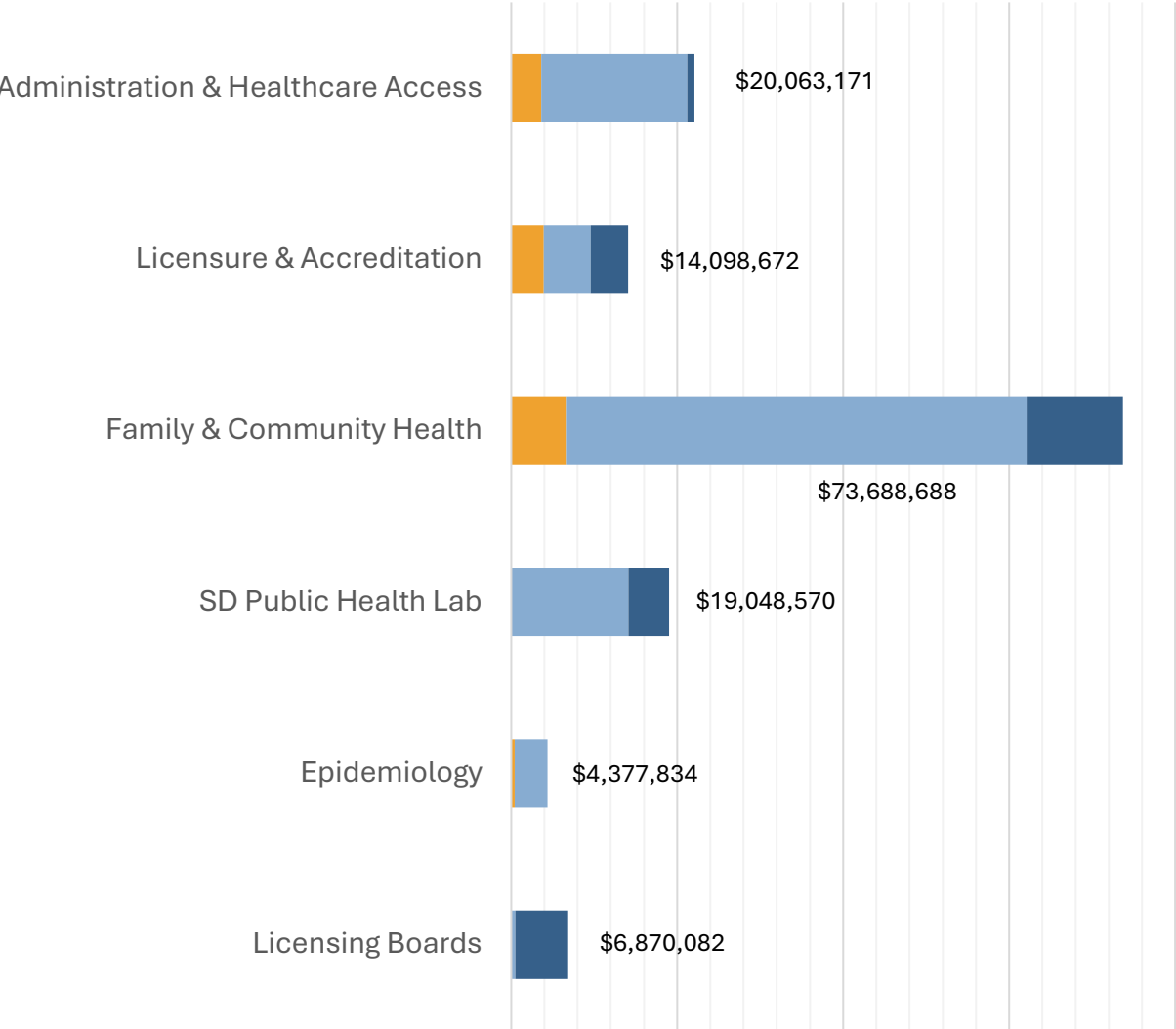- Spring, 2026 – Laboratory move into new build.

- Mid-year 2027 – Remaining DOH staff move in after remodel of existing building complete.

- $10,907,432 – Expenditures as of 12/31/2025

Retirement Eligibility
Current - 10.5%
In 5 years - 20.1%
In 10 years - 32.9%

382.5 FTE

FTE Utilization
FY24 – 95.9%
FY23 – 95.7%

Turnover Rate
FY24 – 9.0%
FY23 – 14.2%

FY25 Budget Overview

Administration & Healthcare Access — $20,063,171

Licensure & Accreditation — $14,098,672

Family & Community Health — $73,688,688

SD Public Health Lab — $19,048,570

Epidemiology — $4,377,834

Licensing Boards — $6,870,082

General
$14,555,061
10%

Other
$28,225,800
20%

Federal
$97,366,156
70%

Total FY25 Budget $140,147,017

FY26 Budget Request

Budget	FTE	General	Federal	Other	Total
FY2025 Base Budget	382.5	14,555,061	97,366,156	28,225,800	140,147,017
FY2026 Recommended Budget	387.4	14,696,749	97,872,140	25,710,328	138,279,217
Change	4.9	$ 141,688	$ 505,984	$ (2,515,472)	$ (1,867,800)

Budget Requests	FTE	General	Federal	Other	Total
Pierre Rural Family Medicine Residency Program		70,821	(55,438)		15,383
Health Protection Inspections		32,856			32,856
Office of Licensure & Certification		267,266			267,266
Rent for Sioux Falls One-Stop		370,745	330,096	39,796	740,637
Women's Health Program	1.0		121,019		121,019
Newborn Screening Program	1.0		110,307		110,307
Public Health Laboratory - Forensics	3.0			331,376	331,376
Licensing Boards - Informational	(0.1)			113,356	113,356
Trauma Registry		(25,000)			(25,000)
Rural Health REHPS Program		(50,000)			(50,000)
Bright Start Program		(300,000)			(300,000)
Office of Disease Prevention		(225,000)			(225,000)
Tobacco Program				(3,000,000)	(3,000,000)
Total Budget Requests	4.9	$ 141,688	$ 505,984	$ (2,515,472)	$ (1,867,800)

10

Pierre Rural Family Medicine Residency Program

Mission Statement: A program that trains and prepares family physicians for practice in the rural communities across South Dakota with patient-centered, evidence-based medical care.

- 3-year Residency program to provide clinical training in family medicine to graduate physicians.
  - First year in Sioux Falls
  - Years 2 and 3 in Pierre

- John Chandler, MD
  - Resident, Class of 2024
  - "You have peers who have more experience than you who are training you on the job. They treat you like a peer. They give you enough rope to struggle with so you can grow."

    - $ 45,132 – General and ($ 45,132) – Federal (Enhanced FMAP Changes)
    - $ 18,233– General and ($ 18,233) – Federal (FMAP changes)
    - $ 7,456 – General and $ 7,927– Federal (1.25% provider inflation)

SOUTH DAKOTA DEPARTMENT OF HEALTH
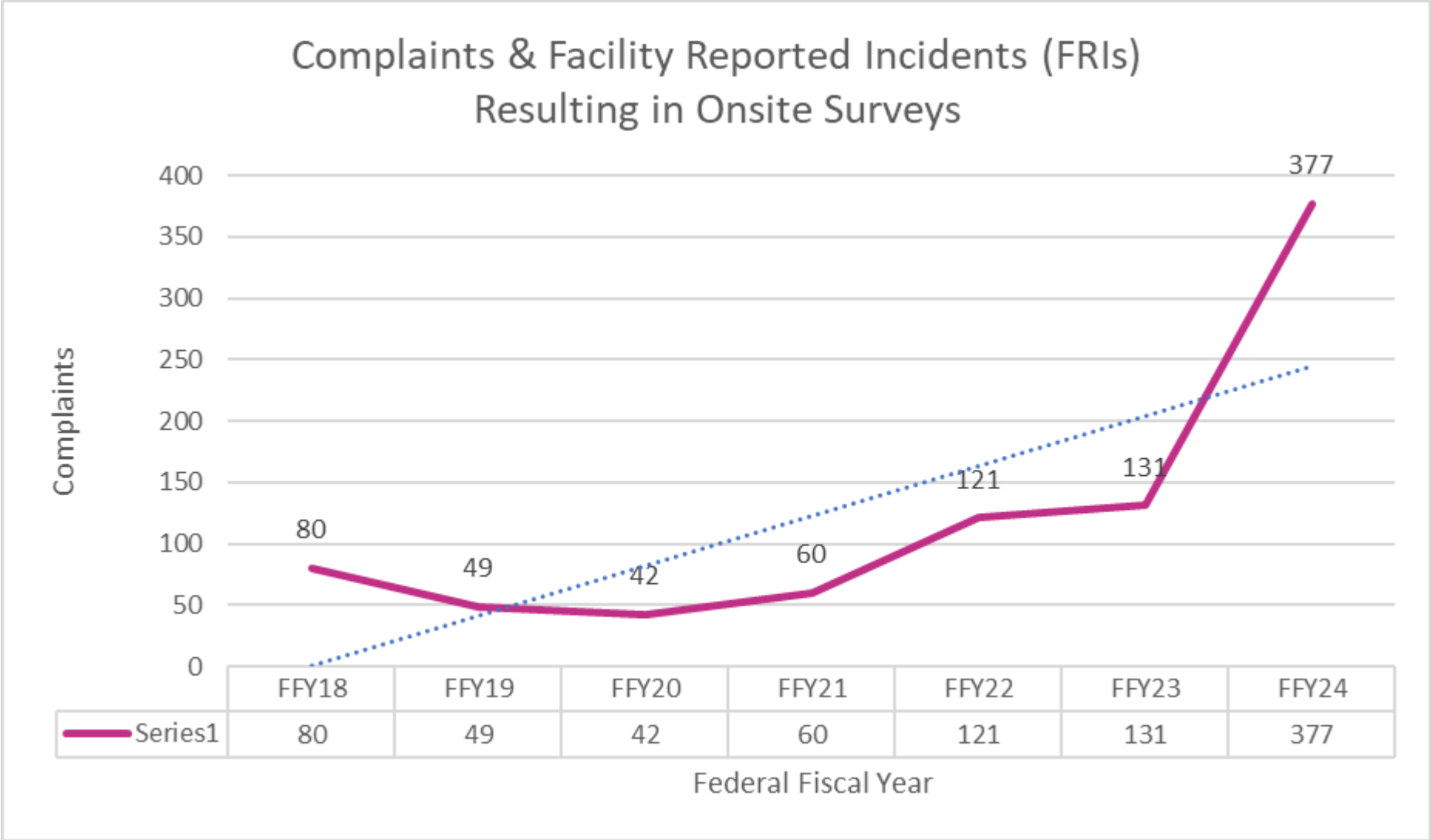
Licensure & Certification

Who is Licensure & Certification?

- Responsible for the licensure and certification of South Dakota healthcare facilities in accordance with state and federal regulations.

- Routinely survey healthcare facilities to ensure providers maintain compliance with the minimum regulations necessary to protect the health and safety of patients and residents receiving care.

- Surveys are unannounced and consist of initial, recertification and re-licensure, complaint, and revisit surveys.

Program background

- Federally, budget has remained flat since 2015, however, expenses have increased due to cost of living, inflation, additional workload, increased acuity and complexity

- More facilities are being cited for deficient practice placing the health and safety of recipients in its care at risk for serious injury, harm, serious impairment, or death

- Significant increase in complaints and facility-reported incidents (FRIs) resulting in onsite surveys (several that require significant investigations)

  - 371.25% increase from FFY18 to FFY24

  - 187.8% increase from FFY23 to FFY24

Licensure & Certification

Complaints & Facility Reported Incidents (FRIs) Resulting in Onsite Surveys

	FFY18	FFY19	FFY20	FFY21	FFY22	FFY23	FFY24
Series1	80	49	42	60	121	131	377

Federal Fiscal Year

Licensure & Certification

- Centers for Medicare and Medicaid Services (CMS) requires a registered nurse on each survey

- Recruitment and retention challenges related to difficult work conditions
    - Travel, pay, nursing shortage, difficult situations

- Lack of increase to federal budget since 2015 despite increased workload and salary inflation
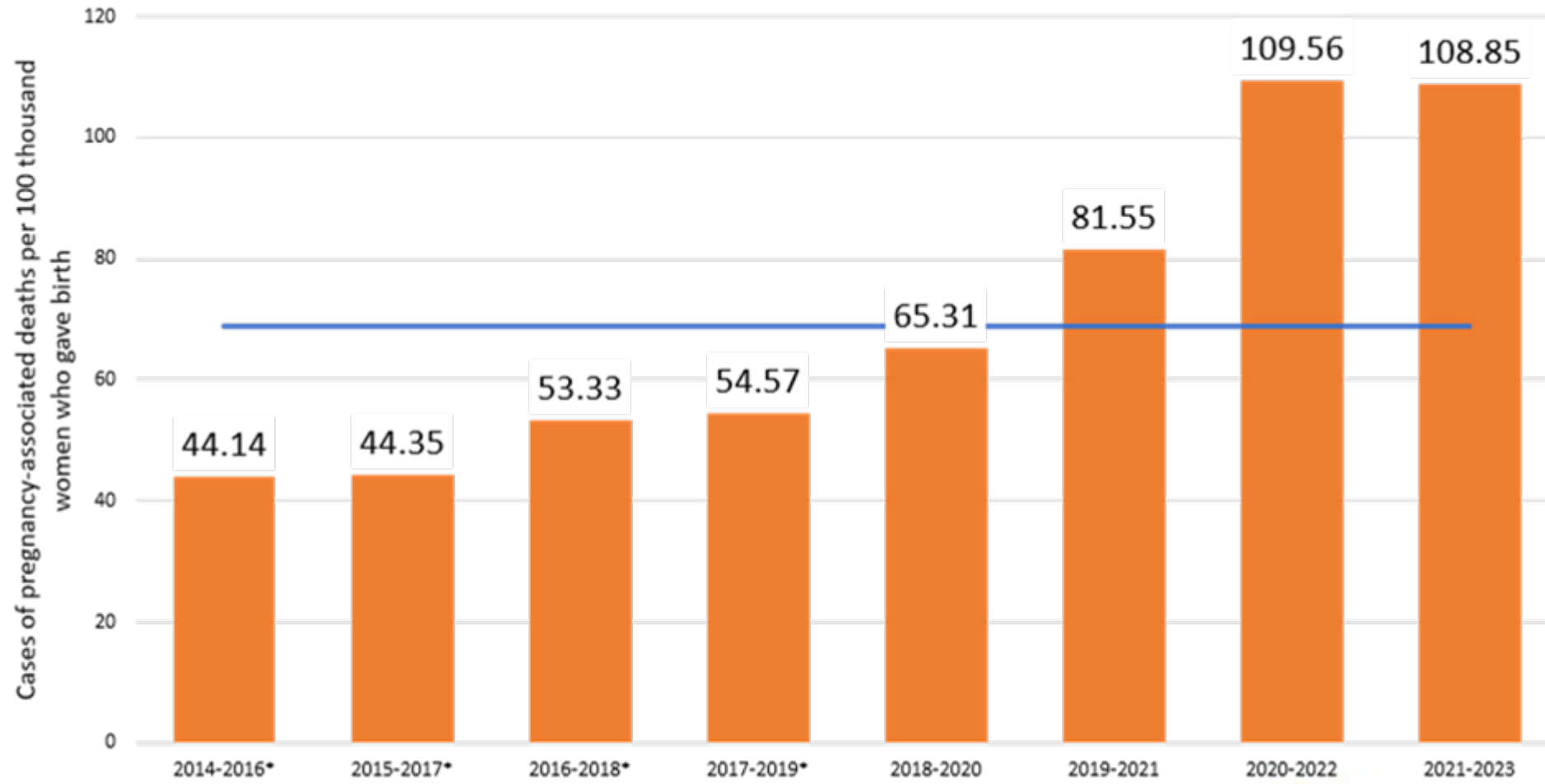
	General
Salary & benefits	$ 267,266
Total Ongoing Request	$ 267,266

SOUTH DAKOTA DEPARTMENT OF HEALTH

Women's Health

Rates and trends of maternal deaths, 2014-2023

South Dakota 10-year rate: 68.75

SOUTH DAKOTA DEPARTMENT OF HEALTH

15

Women's Health

Legend: White, American Indian, Total

SOUTH DAKOTA DEPARTMENT OF HEALTH
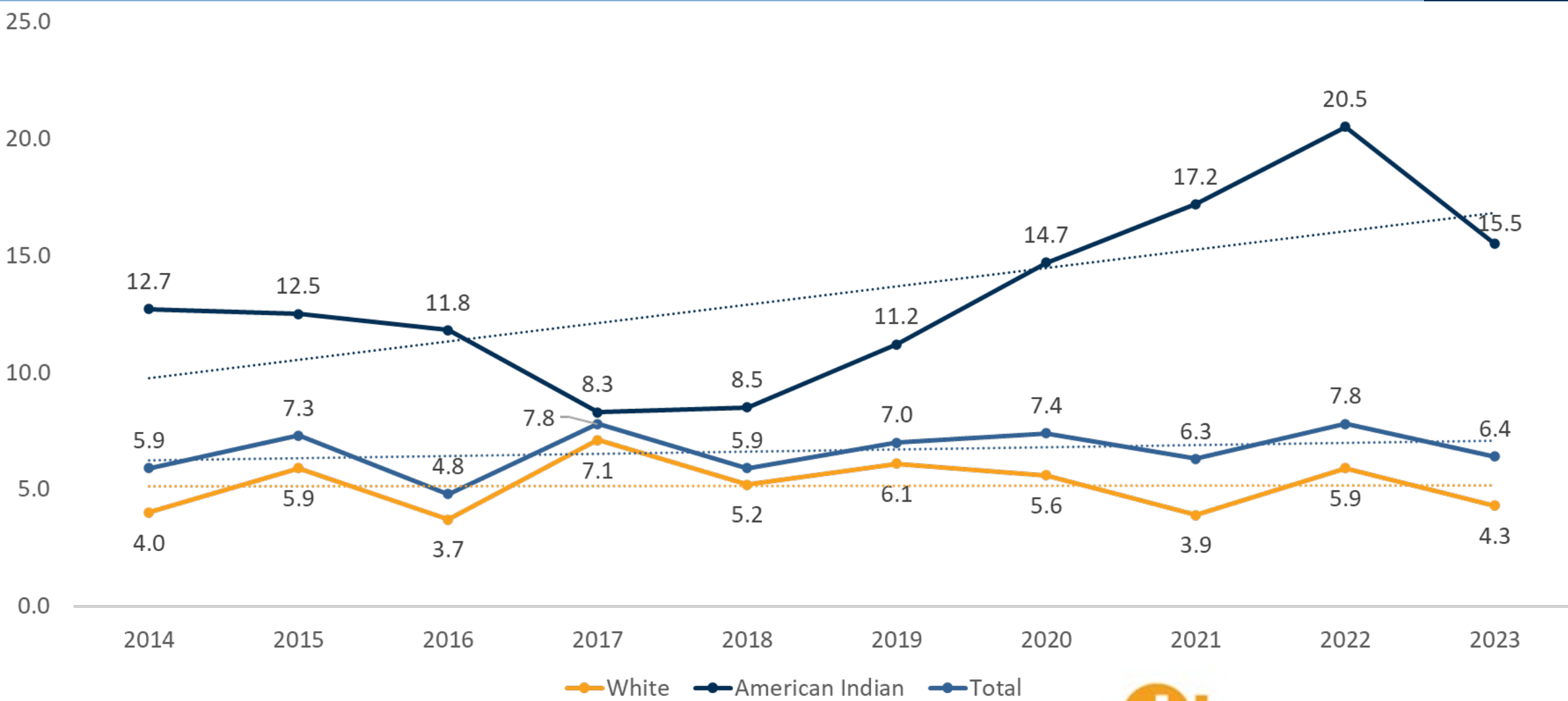
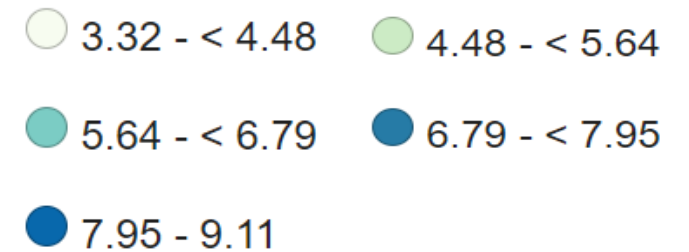# Women's Health

Infant Mortality Rates Across the U.S., 2022
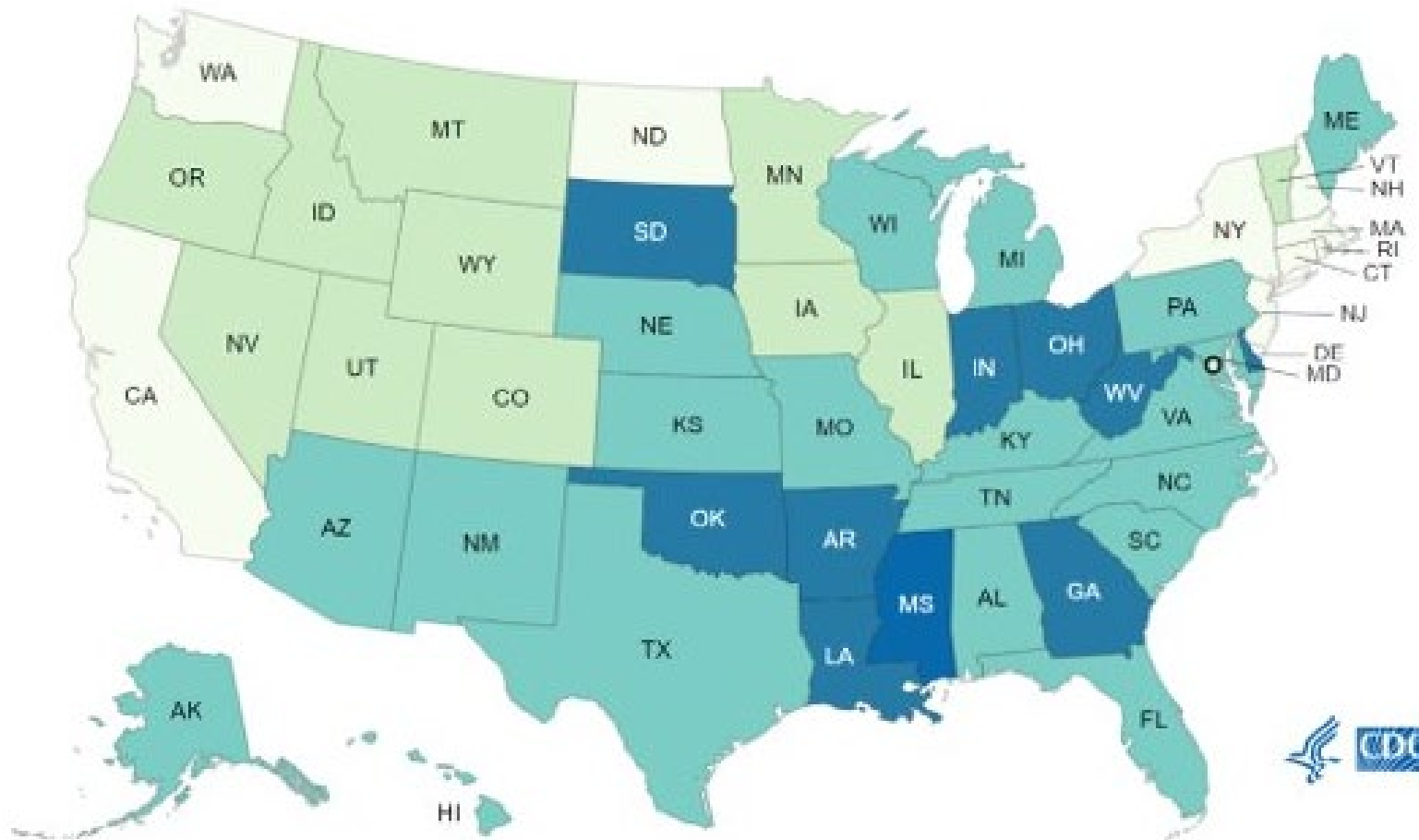
South Dakota had the second highest infant mortality rate in the U.S. in 2022

Death Rates

- 3.32 - < 4.48
- 4.48 - < 5.64
- 5.64 - < 6.79
- 6.79 - < 7.95
- 7.95 - 9.11

SOUTH DAKOTA DEPARTMENT OF HEALTH

Women's Health

- Request
  - 1.0 FTE and Federal authority
  - Women's Health Coordinator

	Federal
Salary and Benefits	$ 121,019
Total Ongoing Request (1 FTE)	$ 121,019

- Needs
  - Rising maternal and infant mortality rates
    - 146% increase in maternal mortality rate in past 10 years
    - 20% increase in infant mortality rate in past 10 years
      - 77% increase in Native American infant morality rate in past 10 years
  - SD currently has one staff member trying to address both maternal and infant health

- Benefits
  - Funded by federal grant funding
  - Healthier communities
  - Goal to decrease maternal and infant mortality rates
  - Focus on enhanced programming in counties of high mortality rates
    - Oglala Lakota, Pennington, and Minnehaha

SOUTH DAKOTA DEPARTMENT OF HEALTH

Newborn Screening

	Federal
Salary and Benefits	$ 110,307
Total Ongoing Request (1 FTE)	$ 110,307

- Request
    - 1.0 FTE and Federal authority
    - Newborn Screening Coordinator

- Need
    - Since 2021, four new conditions have been added to the South Dakota newborn screening panel (SMA, Pompe, X-ALD, and hearing)
    - Routine advancements in treatments and prevention interventions prompt ongoing requests from advocates and review of conditions
    - South Dakota does not have a full-time staff dedicated to this growing program

- Benefit
    - Funded by federal grant funding
    - Enhance data collection, follow up care, and outcomes for babies and families
    - Increase the rate of further diagnostic testing for babies who failed initial hearing test
        - Recommended rate = 85%
        - SD rate = 21%

LRC Budget Briefing Summary pg. 13

Forensic Chemistry

- The Forensic Chemistry Section performs blood and urine toxicology, blood alcohol analysis, seized drug testing, and medical cannabis testing.

- Most forensic chemistry testing services are provided for state and federal law enforcement agencies as well as the Department of Corrections and Unified Judicial System.

- In addition to testing, forensic chemistry staff:
  - Maintain national accreditation
  - Provide consultation to LEOs and attorneys
  - Provide expert courtroom testimony
  - Investigate trends in the emergence of new illicit substances
  - Develop and implement tests to identify drugs

Forensic Chemistry

Subject Matter Expertise

Blood Alcohol Analysis

Blood Toxicology

Urine Toxicology

Drug and Evidence Analysis

Opioid Analysis

Cannabis Testing
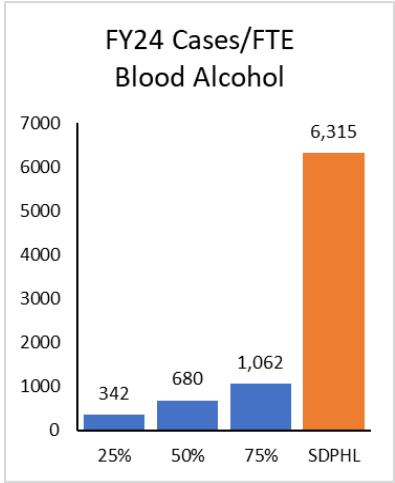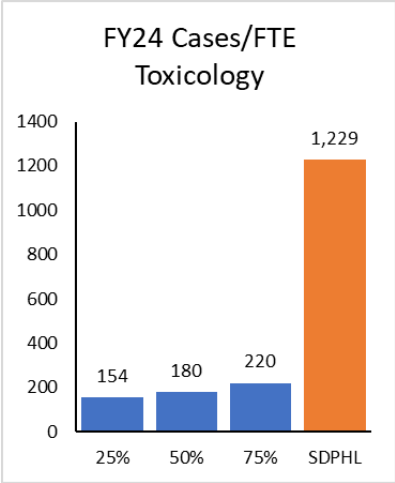
SOUTH DAKOTA DEPARTMENT OF HEALTH

Forensic Chemistry

- Forensic chemistry test volumes increased by 10% from FY23 to FY24.

- Forensic Chemists at the public health laboratory have the highest caseloads of all in-state forensic laboratories.

- Forensic Chemists at the public health laboratory are above the 75% percentile nationwide for toxicology and blood alcohol caseloads.

- Despite very high caseloads, the public health laboratory still manages very respectable turn-around times and supports public health through new program development and data sharing.

	Fiscal Year 2023			Fiscal Year 2024		
	Total Tests	Chemists	Test/Chemist	Total Tests	Chemists	Test/Chemist
Drug Testing	2,457	1.5	1,638	1,895	1.5	1,264
Cannabis Testing	99	1	99	138	1	138
Blood Alcohol	5,893	1	5,893	6,315	1	6,315
Blood Toxicology	4,261	2.25	1,894	6,389	2.25	2,840
Urine Toxicology	3,705	1.25	2,964	3,446	1.25	2,757
Total Tests	16,415			18,183		
Total Chemists		7			7	
Total Test/Chemist			2,345			2,598

FY24 Cases/FTE Toxicology

25%	50%	75%	SDPHL
154	180	220	1,229

FY24 Cases/FTE Blood Alcohol

25%	50%	75%	SDPHL
342	680	1,062	6,315

Forensic Chemistry

- In addition to growing test volume, complexity of testing and cases requires additional investment in test development and case management.

- Currently staffing levels are insufficient to manage current case loads while also reducing turn-around times.

- Sustaining high-quality and timely services will require additional FTE to perform testing and case management.

- Senior Chemist (1 FTE) directly supports forensic chemistry testing and reduces caseload for all chemists.

- Case Managers (2 FTE) will provide administrative support to the Forensic Chemistry Section, improve client relations, and allow chemists to focus more time on technical duties.

	Other Authority
Salary and Benefits	$ 331,376
Total Ongoing Request (3 FTE)	$ 331,376

Costs associated with testing at SDPHL are recovered through test fees using an established fee calculation method.

SOUTH DAKOTA DEPARTMENT OF HEALTH

Other Ongoing Requests & Reductions

Health Protection Inspections (DPS 4% increase)

$ 32,856 – General

Rent Increase for new Sioux Falls One Stop ($740,637)

$ 370,745 – General

$ 330,096 – Federal

$ 39,796 – Other

Informational Board Budgets

$ 113,356 – Other and (.1) FTE

LRC Budget Briefing Summary pg. 9; 21-22; 6; 12; and 14-15

Recruitment Assistance Program (RAP)

- RAP program was established in 2012 to assist rural communities recruit physicians, dentists, physician assistants, nurse practitioners and nurse midwives.

- Participants in the program agree to practice in the rural community for three years at the end of which they receive reimbursement from the state based on current medical school or applicable program tuition.

- Participating communities are required to pay a portion of the tuition reimbursement payment based on community size.

Special Appropriation Request: $1,627,346
To reimburse 6 family physicians, 1 dentist, 3 physician assistants, and 3 nurse practitioners.

SOUTH DAKOTA DEPARTMENT OF HEALTH

Rural Healthcare Facility Recruitment Assistance Program (RHFRAP)

- RHFRAP program was established in 2012 to assist hospitals, nursing homes and other health care facilities in rural areas recruit and retain health care professionals.

- Eligible professions receive an incentive payment of $10,000 upon completion of a three-year commitment at the facility. Participating facilities are required to pay a portion of the payment based on community size.

- Up to 60 healthcare professionals can participate in the program each year.

Special Appropriation Request: $489,047
To reimburse 68 eligible healthcare professionals.

SOUTH DAKOTA DEPARTMENT OF HEALTH