

AN ACT

ENTITLED, An Act to establish a rate-setting methodology for services delivered by community-based health and human services providers.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That the code be amended by adding a NEW SECTION to read:

The Department of Social Services and the Department of Human Services shall jointly establish a rate-setting methodology for services delivered by community-based health and human services providers. Each category of service shall undergo a comprehensive rate modeling analysis at least every five years. The departments may elect to conduct the analysis earlier or on a more frequent basis if warranted by cost report information or other market conditions. Any new service model shall undergo comprehensive rate modeling analysis prior to implementation.

Section 2. That the code be amended by adding a NEW SECTION to read:

Rate modeling analysis shall include a review of current cost report data, specific service delivery and staffing requirements, training and fidelity standards associated with related service models, current market factors, and current and impending state and federal policies that may impact the cost of service delivery. Any information gathered will be public record.

Section 3. That the code be amended by adding a NEW SECTION to read:

Rate modeling analyses shall be an inclusive work group process including providers representing each service category under review.

Section 4. That the code be amended by adding a NEW SECTION to read:

Rate determination resulting from rate modeling analyses utilizing historical cost report information shall be adjusted in a manner to be applied in a prospective fashion subject to federal requirements.

Section 5. That the code be amended by adding a NEW SECTION to read:

The department shall report any rate variance to the Governor and to the Legislature on an annual basis in conjunction with annual budget hearings.

Section 6. That the code be amended by adding a NEW SECTION to read:

This Act applies to all state funded services, including federal funding, Medicaid and block grant fund sources, state general funds, and other funds allocated by the Department of Social Services or the Department of Human Services, that are provided by the following types of community-based providers:

- (1) Nursing facilities;
- (2) Assisted living facilities;
- (3) In-home service providers;
- (4) Group care providers;
- (5) Psychiatric residential treatment facilities;
- (6) Substance abuse disorder treatment and prevention providers;
- (7) Community mental health centers;
- (8) Intermediate care facilities for co-occurring intellectual and developmental disabilities;
- (9) Community support providers; and
- (10) Other types of providers deemed appropriate for inclusion by either the secretary of the Department of Social Services or the secretary of the Department of Human Services.

An Act to establish a rate-setting methodology for services delivered by community-based health and human services providers.

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I certify that the attached Act originated in the

SENATE as Bill No. 147

Secretary of the Senate

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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 147
File No. _____
Chapter No. _____

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Received at this Executive Office this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State