



South Dakota  
Department of  
**Social Services**

**DEPARTMENT OF SOCIAL SERVICES**

DIVISION OF MEDICAL

SERVICES

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June 26, 2024

**Attention: Providers and Billing Professionals**

**From: South Dakota Medicaid**

**RE: July 1, 2024 Fee Schedules**

South Dakota Medicaid is implementing inflationary rate increases effective July 1, 2024 for services provided in State Fiscal Year 2025. Updated fee schedules are available online at <https://dss.sd.gov/medicaid/providers/feeschedules/>. Rate increases include significant increases to primary care services (CPT codes 99202 – 99215) and preventative care services (CPT codes 99381 – 99397).

The following services otherwise not subject to a targeted increase or rate rebase are receiving a 4.0% inflationary increase:

- Instate DRG Inpatient Hospital Services, Instate DRG Exempt Inpatient Hospitals/Hospital Units, and Instate APC Outpatient Hospital Services
- Ambulatory Surgical Center Services
- Supplies, Orthotics and Prosthetics with no Medicare rate
- Durable Medical Equipment (Not including items subject to Section 1903(i)(27)) of the Social Security Act)
- Optometric Services
- Chiropractic Services
- Occupational, Speech, and Physical Therapy
- Nutritionists and Dietician Services
- Clinic Services
- Eyeglasses
- Free Standing Birth Centers
- Diabetes Self-Management Training
- Nurse Midwife Services
- Community Transportation
- Secure Medical Transportation
- Air and Ground Ambulance Transportation
- Home Health Agencies
- Independent Mental Health Practitioners Services
- Nutrition Items
- Physician Administered Drugs with no Medicare rate
- Community Health Worker Services
- Child Private Duty Nursing Services

- Applied Behavior Analysis Services
- Disproportionate Share Hospital Payment Pools
- Graduate Medical Education Payment Pools
- Primary Care Provider, Health Home and Pregnancy Care Management Program Per Member Per Month Payments

The following services are receiving a targeted rate increase or are being rebased. Targeted increases and rebases are in relation to the target rate methodology. The target methodology for most medical services is 90% of the allowable Medicare rate. In instances, where rates are above the target they may have not received an inflationary increase or may have been reduced to move closer to the target methodology.

<b>Service</b>	<b>Type</b>	<b>Method</b>
Private Duty Nursing Services	Targeted Increase	<ul style="list-style-type: none"> <li>• Code S9122 - \$43.52</li> <li>• Code S9123 - \$90.40</li> <li>• Code S9124 - \$75.32</li> </ul>
Home Health Services	Targeted Increase	<ul style="list-style-type: none"> <li>• Code G0156 - \$10.88</li> <li>• Code G0299 - \$22.60</li> <li>• Code G0300 - \$18.83</li> <li>• Other procedure codes are subject to a 4% inflationary increase</li> </ul>
Personal Care Services	Targeted Increase	<ul style="list-style-type: none"> <li>• Code S5130 - \$10.88</li> <li>• Code T1000 - \$22.60 (RN)</li> <li>• Code T1000 - \$18.83 (LPN)</li> <li>• Code T1019 - \$10.88</li> </ul>
Nursing Facility Services	Targeted Increase	<ul style="list-style-type: none"> <li>• 4.3% Increase</li> </ul>
DRG Exempt Pediatric Medically Complex Rehabilitation, and Pediatric Rehabilitation Transition Unit	Targeted Increase	<ul style="list-style-type: none"> <li>• Per diems rebased based on cost</li> </ul>
Dental Services	Targeted Increase	<ul style="list-style-type: none"> <li>• Endodontic codes rebased to 80% of market rate</li> <li>• Other procedure codes are subject to a 4% inflationary increase</li> </ul>
Prosthetics, Orthotics, and Supplies	Rebased	<ul style="list-style-type: none"> <li>• Prosthetic, Orthotic, and Supply procedure codes rebased to 90% of Medicare</li> </ul>
Anesthesia Services	Rebased	<ul style="list-style-type: none"> <li>• Conversion Factor to 100% of Medicare.</li> <li>• Modifiers AD, QK, QX, and QY to align with Medicare over a two-year implementation period as follows: <ul style="list-style-type: none"> <li>○ 75% in year one, effective July 1, 2024</li> <li>○ 50% in year two, effective July 1, 2025</li> </ul> </li> </ul>
Physician Services	Rebased	<ul style="list-style-type: none"> <li>• Evaluation and Management codes (99202-99215) to 90% of Medicare</li> <li>• Preventative Services codes (99381-99397) to 100% of Medicare</li> <li>• Procedure codes with rates between 100% - 112.49% to 100% of Medicare</li> <li>• Procedure codes with rates between 112.5% - 125% to 112.5% of Medicare</li> </ul>

		<ul style="list-style-type: none"> <li>• Procedure codes with rates over 125% to 125% of Medicare</li> <li>• Procedure codes with rates below 90% of Medicare to 90% of Medicare</li> <li>• Procedure codes with no rate to 90% of Medicare</li> <li>• Other procedure codes are subject to a 4% inflationary increase</li> </ul>
Physician Administered Drugs	Rebased	<ul style="list-style-type: none"> <li>• Procedure codes with no rate to the Wholesale Acquisition Cost</li> </ul>
Independent Mental Health Services	Rebased	<ul style="list-style-type: none"> <li>• Procedure codes rebased to 90% of Medicare</li> </ul>

Fee schedules list the maximum allowable reimbursement amount; per ARSD 67:16:01:09 payment for services is limited to the lesser of the provider's usual and customary charge or the fee schedule amount. South Dakota Medicaid providers should continue to submit claims and bill South Dakota Medicaid as they did prior to July 1, 2024.

If you have any questions, please contact the Division of Medical Services at 1-800-452-7691.

Sincerely,

South Dakota Medicaid