



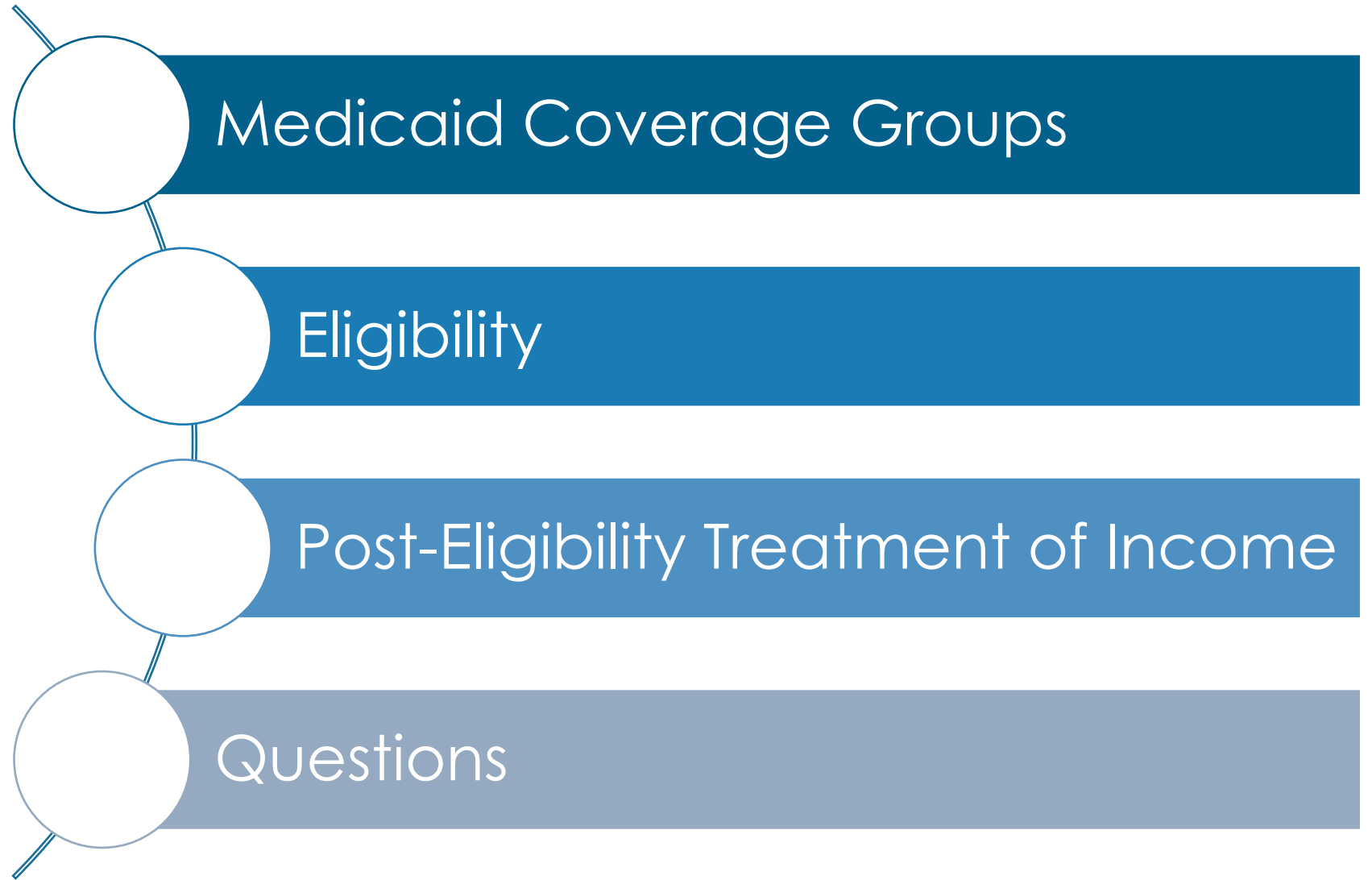
South Dakota Medicaid Long-Term Care Eligibility

2025



South Dakota
Department of
Social Services

Agenda



Medicaid Coverage Groups

Children, Family, & Adult Programs

Medicaid Expansion – Adult Group

Full coverage for adults aged 19 to 64 with income up to 138% FPL who are not entitled to or enrolled in Medicare and not eligible for another mandatory coverage group.

Medicaid & CHIP for Children Under 19

Full coverage for insured children up to 187% FPL and uninsured children up to 209% FPL.

Parents & Other Caretaker Relatives

Full coverage for parents or other caretaker relatives (grandparent, brother, sister, stepparent, etc.) with a dependent child(ren).

Pregnant Women

Full coverage for pregnant individuals with income up to 138% FPL. Full coverage is provided for an additional 12 months following the end of the pregnancy (except for Unborn Children of ineligible Aliens coverage).

Newborns

Full coverage for child(ren) born to a woman who was enrolled in SD Medicaid at birth are automatically eligible for 12 months of coverage after birth if the child continues to meet SD residency.

Former Foster Care Youth

Full coverage for youth aged 18 to 26 that are leaving State or Tribal foster care after their 18th birthday.

Refugee Medical Assistance

A short-term wholly federally funded transitional program available to ensure refugees receive medical care needed while they transition to living in the United States.

Aged, Blind, & Disabled Programs

Adults Currently & Formerly Receiving Supplemental Security Income (SSI): Individuals currently receiving SSI are automatically eligible for full coverage Medicaid. Some individuals who formerly received SSI may still be eligible if they currently receive Title II benefits and meet other financial and non-financial criteria.

Individuals who need assistance in their activities of daily living: Full coverage for persons seeking care in their home, community, or in a medical facility if they meet a level of care and financial criteria. Coverage may be through the Medicaid State Plan, a waiver, or a state-funded program. There are specific waivers for children and adults with intellectual and developmental disabilities, adults with quadriplegia, or adults who receive assistance from a caregiver in their home or in their caregiver's home.

Breast & Cervical Cancer Program: Full coverage for uninsured South Dakota women who need treatment for breast or cervical cancer, including pre-cancerous conditions and early-stage cancer. The Department of Health determines eligibility for this program.

Disabled Children's Program: Full coverage for children under 19 with medically fragile conditions requiring skilled nursing care in a medical facility if they were not being cared for at home. Only the child's income and resources are considered when determining eligibility.

Medicaid for Workers with Disabilities (MAWD): Full coverage for individuals with income below 250% FPL and resources under \$8,000 who have disabilities and are working.

Chronic Renal Disease: This state-funded limited-coverage program is for individuals without a third-party payer who are experiencing chronic renal failure with income less than 150% FPL.

Medicare Savings Programs: There are four different Medicare Savings Programs that can pay for an individual's Medicare Part A and/or B premiums. The 2026 resource limits for MSP are \$9,950 for an individual and \$14,910 for a couple. For individuals in the lowest income tier (100% FPL), MSP can also pay for Medicare deductibles and coinsurance for services Medicare covers.

Long-Term Care – Coverage Groups

Service Groups

These coverage groups for the aged, blind, and disabled require individuals to meet a level of care. They provide institutional and home and community-based services:

- Skilled nursing facility, swing bed, and hospice care (LTC);
- Intermediate Care for the Intellectually Disabled (ICF);
- Adult Foster Care (AFC);
- Regular Assisted Living (ASL); and
- Waivers:
 - CHOICES Waiver;
 - Family Support 360 Waiver (FSW);
 - Assistive Daily Living Services (ADLS) Waiver; and
 - HOPE Waiver (Home and Person-Centered Excellence)
 - **In Home Services and Structured Family Caregiving-** Services are provided in the home. SFC leverages existing resources (kinship or fictive kinship providers and housing) to enable participants to receive care from a trusted caregiver in a preferred setting. It provides a financial stipend to the caregiver.
 - **Assisted Living and Community Living Homes-** Services are provided to the individual in assisted living or community living home settings.

Medicare Savings Programs

Resource Limits

QMB, SLMB, & QI have a 2026 resource limit of \$9,950 for an individual and \$14,910 for a couple.

Qualified Medicare Beneficiary (QMB)

- Income Limit 2026: \$1,350 for an individual and \$1,824 for a couple
- Coverage: Part A & B premiums; deductibles, coinsurance, and copayments (for services/items Medicare covers).
- *Coverage cannot be backdated*

Specified Low-Income Medicare Beneficiary (SLMB)

- Income Limit 2026: \$1,616 for an individual and \$2,184 for a couple
- Coverage: Part B premiums
- Coverage can be backdated up to 3 months if eligible

Qualified Individual (QI-1)

- Income Limit 2026: \$1,816 for an individual and \$2,455 for a couple
- Coverage: Part B premiums
- Coverage can be backdated up to 3 months if eligible
- *Cannot be eligible for QI if eligible for Medicaid*

Qualified Disabled & Working Individual (QDWI)

- Income limit 2026: \$5,405 for an individual and \$7,299 for a couple
- Coverage: Part A premiums only
- Resource limit is \$4,000 for an individual and \$6,000 for a couple

Eligibility

Applications & Basics

Application Timelines & Assistance

Applications can take up to 45 days to process or 90 days if an individual needs a disability determination. Applications are extended if items still needed have not been received due to no fault of the applicant. Resource Assessments for married couples must be completed at 45 days per federal regulation. Benefits Specialists are available to assist by phone, email, fax, text, and in person. No appointments required.

If approved, eligibility can begin up to three (3) months prior to the application date. Effective January 1, 2027, this will reduce to one (1) month for Medicaid Expansion and two (2) months for all other groups.

Non-Financial Requirements

Non-financial requirements for Medicaid include SD residency, citizenship or a qualified noncitizen status, Social Security Number, and assignment of rights. Some programs also require individuals to be aged (65+), blind, or disabled, meet a certain level of care, or meet the 30-day stay (which can also establish the Resource Assessment date for married couples).

Financial Eligibility Methodologies

LTC Programs use non-MAGI methodology, which applies to aged (65+), blind, or disabled individuals. Resources are considered and certain programs require screening for transfer penalties. If a disability determination is required, DSS' Disability Review Team (DRT) may be able to complete it.

The majority of eligibility programs (90% of recipients) are processed through MAGI methodology, which only considers taxable income and doesn't have asset or transfer tests.

Eligibility – Financial Requirements

Income

Income is any item an individual receives in cash or in-kind that can be used to meet basic needs and it is counted in the month received. The income limit for an individual is \$2,982 in 2026.

A Medicaid Income Trust (MIT) may be set up for individuals with income over this limit but not enough income to private pay so they may still qualify for Medicaid.

The “community spouse” may be eligible to receive a “spousal allowance,” which means keeping some or all of the income of the “institutionalized spouse.” The maximum amount a community spouse could receive is \$4,066.50 (2026). The amount is based on the community spouse’s shelter costs, and it is reduced by any countable income the community spouse earns or receives.

Resources / Assets

Resources are cash or anything an individual or their spouse owns that can be converted to cash. Resources are countable unless explicitly excluded in federal regulation.

Individual Limit: \$2,000

Couple Limit (both applying): \$3,000 in the month of application, \$2,000 each the month after

Couple Limit (Resource Assessment): \$32,532 is the minimum protected share and \$162,660* is the maximum protected share for the “community spouse” in 2026.

Renewals

Requirements

DSS attempts to renew coverage annually using electronic sources (such as SSA, Equifax, etc.). Individuals eligible based on this information are reapproved. This is called the “administrative review” or *ex parte* process. If more information is needed, a renewal packet is mailed about 80 days before the end of eligibility.

Example Timeline

Harriet applies for HOPE: Assisted Living on 01/01/2024. She is approved for a 12-month period from 01/01/2024 through 12/31/2024.

Harriet is administratively reviewed on 10/01/2024 and cannot be renewed automatically as she has income that changes annually for which there is not an electronic source.

Harriet is mailed a renewal packet on 10/11/2024, which is due back by 11/05/2024. If it is not returned by then, she is sent a reminder notice on that date. If her packet is returned at any point in the process, eligibility is assessed, and a Request for Information is mailed if verifications are needed.

If Harriet has not returned her packet or necessary verifications by 12/17/2024, she will be mailed a termination notice.



DEPARTMENT OF SOCIAL SERVICES
DIVISION OF ECONOMIC ASSISTANCE
221 Mall Drive Suite 101
PO Box 6221
Rapid City, SD 57701-6221
PHONE: (605) 394-2525
TOLL FREE: (800) 644-2914
FAX: (605) 394-6887

October 12, 2025

Case Number: 88888888

BIG BIRD
C/O GROVERS ASSISTED LIVING LLC
100 SESAME STREET
RAPID CITY, SD 57701

Notice for Renewal of Benefits

In order to ensure continued eligibility for Medical Assistance, a renewal must be completed each year. You have two options to complete your renewal. You can either go to <https://dss.sd.gov/economicassistance/portal> to complete the renewal online or you may complete the enclosed paper form and return it to our office.

Please submit your form no later than 11/1/2025 or your Medical Assistance will end 12/31/2025.

Please respond to all the questions on the renewal form and make sure you sign section 19. Be sure to answer "No" if the question does not apply to your household.

Long-Term Care – Transfers of Assets

Transfers of Assets

Individuals applying for or receiving LTC or HCBS Medicaid are subject to a transfer of assets test. Applicants are screened for transfers in the 60 months prior to application. If resources are transferred without receiving fair market value or given away by the individual, spouse, or anyone acting on their behalf, eligibility for long-term care assistance may be denied or delayed. The period of ineligibility begins once the individual would otherwise be eligible.

The period of ineligibility is based on the average private pay daily rate for LTC (ARSD 67:46:05:09).

Allowable Transfers

Some transfers are allowable and do not result in a period of ineligibility. Transfers are always allowable to the applicant or recipient's spouse or to their child who has a disability as determined by SSA. Transfers to someone else for the sole benefit of a spouse are allowable. Transfers to trusts are allowable if the trust was established solely for a child or for anyone under age 65 with a disability as determined by SSA.

Home transfers are allowable if transferred to the spouse, child under 21, child with a disability as determined by SSA, a child who lived in the home at least 2 years prior to the parent entering a facility and provided care to prevent earlier nursing home care, or to a sibling with an equity interest if the home if the sibling resided in the home at least one (1) year prior to the individual going into a medical facility.

Fair Hearings & Undue Hardship Waivers

Individuals who disagree with any determination by DSS may request a fair hearing. Individuals who disagree with transfer of asset penalties may also follow the undue hardship waiver process. If criteria at ARSD 67:46:05:10 are met, the transfer penalty may be waived.

Post-Eligibility Treatment of Income

Long-Term Care – Cost Sharing

Post-Eligibility Treatment of Income (PETI) or Cost Sharing

PETI, which is called budgeting or cost sharing, is the process of determining the amount of the recipient's monthly cost share to pay their provider. Medicaid is the payer of last resort after the individual's cost share and any available insurance.

There is no budgeting process for MAGI, MSP, or Medicaid-only long-term care programs as these do not provide institutional or home and community-based services.

Deductions

Federal regulations require only the income of the long-term care recipient be applied toward the cost of their care. Income deductions are allowed in the following order:

- Personal Needs Allowance
- Spousal Allowance
- Dependent Allowance
- Medicare Premiums
- Private Health Insurance
- Employment Deductions
- Home Maintenance Allowance
- Other

Budget Examples

Budgeting

The budgeting criteria are outlined in federal and administrative rule, and specifically within the waivers. All deductions are available to all programs with varied personal needs allowance and earned income deduction.

Example for Regular Assisted Living

Mr. Smith is approved regular assisted living. He receives an \$1,800 SSA benefit. He is widowed with no dependents. While on Regular Assisted Living, the state pays his Medicare Part B premium, and he has a policy through Blue Cross Blue Shield.

Income Types	Gross Amount	Deductions	Amount
Social Security	\$1,800.00	Personal Needs Allowance	\$ 100.00
Veteran's Pension	\$ 0.00	Spousal/Dependent Allowance(s)	\$ 0.00
Aid & Attendance	\$ 0.00	Medicare Premium	\$ 0.00
Pensions	\$ 0.00	Private Health Insurance	\$ 212.00
Other Income	\$ 0.00	Other Deductions	\$ 0.00
		Cost Share	\$1488.00

Budget Examples (cont.)

Example for HOPE: Assisted Living

Ms. Anderson is approved for HOPE: Assisted Living waiver. She receives \$1100 in SSA benefits. Ms. Anderson qualifies for a Medicare Savings Program, so she does not have a Medicare premium. She is not married and has no dependents.

For assisted living, an individual must pay the facility their cost share *and* room and board. Ms. Anderson must pay the facility \$46 for a cost share and \$954 for room and board (2026). She keeps the remaining \$100 as a personal needs allowance.

If Ms. Anderson did not have enough income to pay the full room and board, DHS would subsidize the amount she cannot pay. She would retain a \$100 personal needs allowance.

Income Types	Gross Amount	Deductions	Amount
Social Security	\$ 1100.00	Personal Needs Allowance	\$ 1054.00
Veteran's Pension	\$ 0.00	Spousal/Dependent Allowance(s)	\$ 0.00
Aid & Attendance	\$ 0.00	Medicare Premium	\$ 0.00
Pensions	\$ 0.00	Private Health Insurance	\$ 0.00
Other Income	\$ 0.00	Other Deductions	\$ 0.00
		Cost Share	\$ 46.00



Questions?

Kristin McNeely



605-773-4678



Kristin.McNeely@state.sd.us



dss.sd.gov





Climb the “Tier” to Understanding the Assisted Living Rate Methodology

Division of Long-Term Services & Supports (LTSS)

OUR MISSION...

“To enhance and promote the quality of life for older adults, adults with disabilities, and their caregivers, at home and in the community.”

Base HOPE Waiver Assisted Living Services

- Daily living activities such as eating, bathing, dressing, and personal care
- Three meals a day
- Social and recreation programming
- Supervision of medication self-administration
- Laundry service, including personal laundry
- Housekeeping
- 24-hour staffing



interRAI Home Care Assessment

- Comprehensive
- Person-centered
- Promotes communication
- Outcome-based
- Reoccurring
 - Annually
 - Significant Change



Resource Utilization Groups (RUGs)

Scoring system that measures resource-intensity

RUG-III for Home Care

- Originally developed for use in nursing homes with the MDS (Minimum Data Set)
- Incorporates Instrumental Activities of Daily Living

7 categories of resource groups

23 individual resource groups

Hierarchal

Resource Utilization Groups (RUGs)

Special Rehabilitation



Physical Therapy



Occupational
Therapy

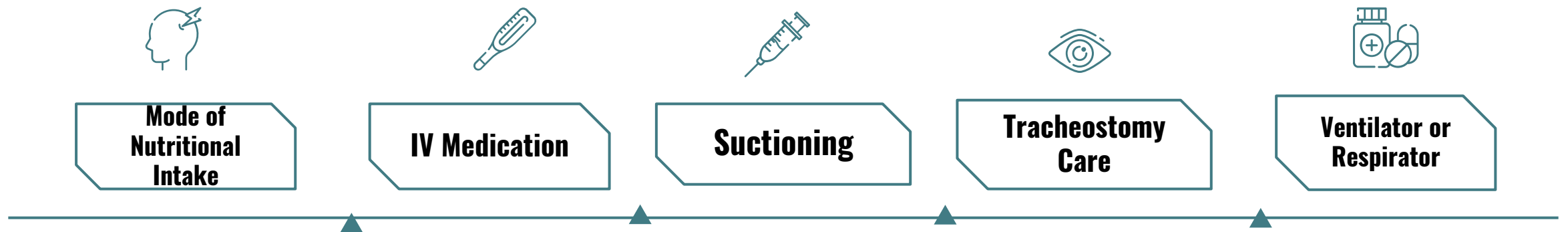


Speech and
Language Therapy



Resource Utilization Groups (RUGs)

Extensive Care



Resource Utilization Groups (RUGs)

Special Care

Most severe Pressure Ulcer with a need for a turning/repositioning program

Mode of Nutritional Intake and Aphasia

Skin Problems and Wound Care

Cerebral Palsy

High need for ADL Assistance

Fever, Vomiting, Weight loss, Pneumonia

Multiple Sclerosis

Quadriplegia

Radiation

Resource Utilization Groups (RUGs)

Clinically Complex

Mode of Nutritional Intake

Hemiplegia

Dialysis

Coma

Septicemia

GI or GU Bleeding

Diabetes

Foot Problems

End-Stage Disease

Transfusions

Low fluid intake

Chemotherapy

Oxygen

Resource Utilization Groups (RUGs)

Cognitive Impairment

Cognitive
Impairment

- Decision-making
- Short-term Memory
- Ability to be Understood
- Eating

Resource Utilization Groups (RUGs)

Behavior Problems

Wandering

Verbal Abuse

Physical Abuse

Socially inappropriate or disruptive behavior

Inappropriate public sexual behavior or public disrobing

Resisting care

Hallucinations

Delusions

Resource Utilization Groups (RUGs)

Reduced Physical Function



All Remaining Individuals

interRAI Home Care Assessment – Outcome Scales

Aggressive Behavior Scale

Higher scores indicate greater frequency and diversity of aggressive behavior.

Measures:

Verbal Abuse

Physical Abuse

Socially Inappropriate Behavior

Resists Care

interRAI Home Care Assessment – Outcome Scales

ADL Long Form Scale

Summative scale capturing 7 ADL items.

Measures:

- Personal Hygiene
- Dressing Upper Body
- Dressing Lower Body
- Locomotion
- Toilet Use
- Bed Mobility
- Eating

interRAI Home Care Assessment – Outcome Scales

Cognitive Performance Scale

Describes the cognitive status of an individual.

Measures:

- Decision-making
- Short-term Memory
- Ability to be Understood
- Eating

interRAI Home Care Assessment – Outcome Scales

ADL-IADL Functional Hierarchy Scale

Crosswalk between the IADL Scale and the ADL Scale

Measures:

- Personal Hygiene
- Locomotion
- Toilet Use
- Eating
- Meal Prep – Capacity
- Housework – Capacity
- Finances – Capacity
- Managing Meds – Capacity
- Shopping - Capacity

interRAI Home Care Assessment – Outcome Scales

ADL-IADL Functional Hierarchy Scale

	ADL - 0	ADL - 1	ADL - 2	ADL - 3	ADL - 4	ADL - 5	ADL - 6
IADL - 0	0	0	2	8	9	10	11
IADL - 1	1	1	2	8	9	10	11
IADL - 2	2	2	6	8	9	10	11
IADL - 3	3	5	6	8	9	10	11
IADL - 4	3	5	6	8	9	10	11
IADL - 5	4	5	6	8	9	10	11
IADL - 6	5	7	7	8	9	10	11

interRAI Home Care Assessment – Outcome Scales

DIVERT Scale

- Detects Indicators and Vulnerabilities for Emergency Room Trips
- Measures:
 - Good prospects of recovery
 - Change in ADL status
 - Indwelling urinary catheter
 - Stroke
 - Coronary Artery Disease
 - Congestive Heart Failure
 - COPD
 - Pneumonia
 - UTI
 - Diabetes
 - Weigh Loss
 - Decrease in food or fluid
 - Other skin ulcer
 - Oxygen therapy
 - Overnight hospital stay
 - ER visit
 - Cardio-Respiratory CAP
 - Depression Rating Scale
 - Falls Frequency

interRAI Home Care Assessment – Outcome Scales

PUR Scale

Pressure Ulcer Risk

Measures:

- Walking
- Bed Mobility
- Bowel continence
- Health condition – Dyspnea
- Pain frequency
- Weight loss
- Prior pressure ulcer

interRAI Home Care Assessment – Outcome Scales

CHES Scale

- Changes in Health, End-stage disease, Signs, and Symptoms
- Measures:
 - Estimated survival
 - Change in decision making
 - Change in ADL status
 - Health condition – vomiting
 - Health condition – Peripheral edema
 - Health condition – Dyspnea
 - End-stage disease
- Weight loss
- Insufficient fluid
- Dehydrated
- One or fewer meals
- Decrease in food or fluid
- Fluid output exceeds input

Tier Determination

RUG Score

+

Aggressive Behavior Score

+

ADL Score

+

Cognitive Performance Score

+

ADL-IADL Capacity Hierarchy Score

+

DIVERT Score

+

PUR Score

+

CHESS Score



LTSS List Servs

LTSS In-Home Providers

- Subscribe and Unsubscribe link:
<https://listserv.sd.gov/scripts/wa.exe?SUBED1=LTSSINHOMEPROVIDERS&A=1>

LTSS Assisted Living Providers

- Subscribe and Unsubscribe link:
<https://listserv.sd.gov/scripts/wa.exe?SUBED1=LTSSASSISTEDLIVING&A=1>

LTSS All Providers

- Subscribe and Unsubscribe link:
<https://listserv.sd.gov/scripts/wa.exe?SUBED1=LTSSPROVIDERS&A=1>

LTSS Nursing Facility Providers

- Subscribe and Unsubscribe link:
<https://listserv.sd.gov/scripts/wa.exe?SUBED1=LTSSNURSINGFACILITIES&A=1>



Intake Specialists receive referrals for LTSS Programs. Provide options for callers, including referrals to other DHS divisions, programs and services (DD Waivers, ADLS waiver, Vocational Rehabilitation)



Provides Medicare Information and help with open enrollment for prescription drug plans and complaints of Medicare fraud.



Advocates for and protects the rights of residents of nursing homes and assisted living centers. Provides educational activities to increase community awareness of elder rights and provides training to long-term care and staff.

DHS SD Adult Protective Services

Provides elders and adults with disabilities protection from abuse, neglect or exploitation. Adult Protective Services Specialists investigate complaints of abuse, neglect and exploitation.

Details about all LTSS services can be found on our website:

<https://dhs.sd.gov/en>

QUESTIONS?

Caitlin Clarey

HCBS Program Manager, Long Term Services and Supports

Email: Caitlin.Clarey@state.sd.us

Phone: 605-910-5807