

Department of Social Services



Fiscal Year 2016

Recommended Budget

July 1, 2015 – June 30, 2016

Presented to the Joint Appropriations Committee
January 26-28, 2015

Table of Contents

Department of Social Services Overview	
Acronyms	1
DSS Management Team Contacts	2
Organizational Structure	3
Department Mission and Goals	4-7
Department Accomplishments and Key Initiatives	8-12
2014 Federal Poverty Guidelines	13
Department Budget	14-19
Office of the Secretary	20-21
Division of Economic Assistance	22-62
Medical & Adult Services	63
Division of Medical Services	64-137
Division of Adult Services and Aging	138-161
Children’s Services	162
Division of Child Support Services	163-178
Division of Child Protection Services	179-214
Division of Child Care Services	215-228
Behavioral Health	229-232
HSC	233-250
Division of Behavioral Health	251-280
BOARDS – Informational	281-282
FY15 General Bill Amendments/Special Appropriation	283-285

Acronyms:

ACF - Administration for Children and Families

ADRC - Aging and Disability Resource Connections

CARE - Continuous Assistance, Rehabilitation, and Education

CBISA - Cognitive Behavioral Interventions for Substance Abuse

CJI- Criminal Justice Initiative

CMS - Centers for Medicare and Medicaid Services

DHS - Department of Human Services

DME - Durable Medical Equipment

DOC - Department of Corrections

DOE - Department of Education

DOH - Department of Health

DSH - Disproportionate Share Hospital

DSS - Department of Social Services

EBT - Electronic Benefits Transfer

EPSDT - Early and Periodic Screening, Diagnosis, Treatment

FFM - Federally Facilitated Marketplace

FMAP - Federal Medical Assistance Percentage

FTE - Full Time Equivalent

GME - Graduate Medical Education

HIT - Health Information Technology

HH - Health Homes

JJRI - Juvenile Justice Reinvestment Initiative

IDEA - Individuals with Disabilities Education Act

IHS - Indian Health Services

IMPACT - Individualized Mobile Programs of Assertive Community Treatment

LIEAP - Low Income Energy Assistance Program

MCN - Mickelson Center for the Neurosciences

MOE - Maintenance of Effort

MRT - Moral Reconation Therapy

Part D - Medicare Prescription Drug Program

SED - Serious Emotional Disturbance

SHIINE - Senior Health Information & Insurance Education

SNAP - Supplemental Nutrition Assistance Program

SSA - Social Security Administration

SSI - Supplemental Security Income

TANF - Temporary Assistance for Needy Families

Title IV E - Foster Care and Adoption Assistance

Title XIX - Medicaid

Title XXI (CHIP) - Children's Health Insurance Program

UJS - Unified Judicial System

Department of Social Services Website: <http://dss.sd.gov/>

DSS Management Team Contact List:

Department of Social Services

Lynne Valenti, Secretary

Work: 773-3165

Email: Lynne.Valenti@state.sd.us

Department of Social Services

Amy Iversen-Pollreisz, Deputy Secretary

Work: 773-3165

Email: Amy.Iversen-Pollreisz@state.sd.us

Finance

Vacant, Director

Work: 773-3165

Email:

Legal Services

Vacant, Director

Work: 773-3305

Email:

Division of Economic Assistance

Carrie Johnson, Director

Work: 773-5179

Email: Carrie.Johnson@state.sd.us

Division of Medical Services

Vacant, Director

Work: 773-3495

Email:

Division of Adult Services & Aging

Marilyn Kinsman, Director

Work: 773-3656

Email: Marilyn.Kinsman@state.sd.us

Department of Social Services

Brenda Tidball-Zeltinger, Deputy Secretary

Work: 773-3165

Email: Brenda.Tidball-Zeltinger@state.sd.us

Division of Child Support

Gail Stoltenburg, Director

Work: 773-3641

Email: Gail.Stoltenburg@state.sd.us

Division of Child Protection Services

Virgena Wieseler, Director

Work: 773-3227

Email: Virgena.Wieseler@state.sd.us

Division of Child Care Services

Pat Monson, Director

Work: 773-4766

Email: Pat.Monson@state.sd.us

Human Services Center

Ric Compton, Administrator

Work: 668-3100

Email: Ric.Compton@state.sd.us

Division of Behavioral Health

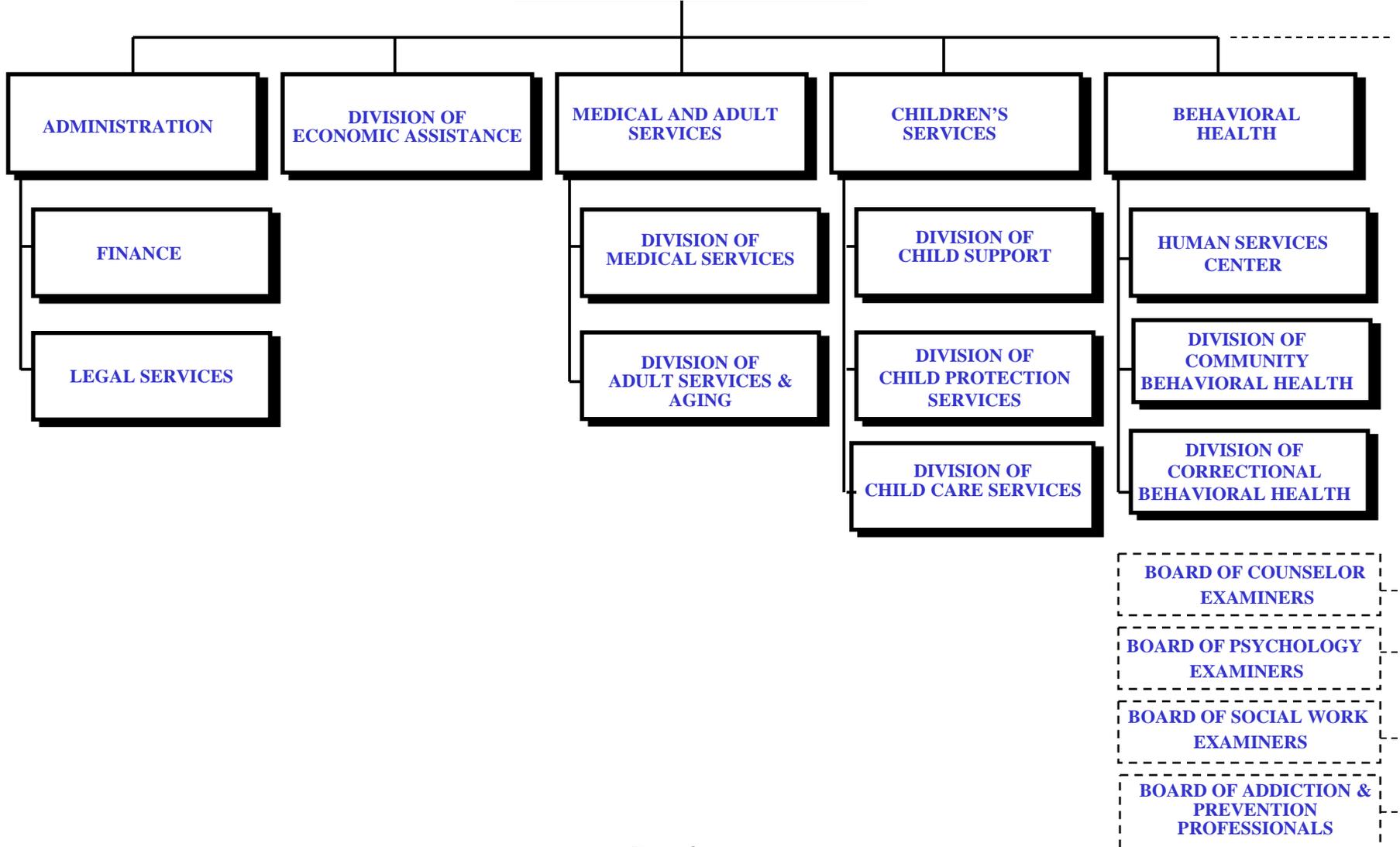
Tiffany Wolfgang, Director

Work: 367-5236

Email: Tiffany.Wolfgang@state.sd.us

Department of Social Services

SECRETARY



Department of Social Services

Vision: *Strong Families – South Dakota's
Foundation & Our Future*

Mission: *Strengthening and supporting individuals and families by promoting cost effective and comprehensive services in connection with our partners that foster independent and healthy families.*

Department of Social Services

Guiding Principles:

- *We believe families have the right to be safe and secure.*
- *We believe in providing opportunities and choices that support the needs of families through available and accessible services.*
- *We believe in collaborative communications, teamwork, partnerships and trust for essential family services.*
- *We believe in respecting individual and cultural differences by treating people with dignity, fairness and respect.*
- *We believe in focusing on results, quality and continuous improvement and on using state-of-the-art technology to be more efficient and effective.*
- *We believe in professional and well-trained staff who are competent, accountable and empowered.*
- *We believe in providing quality, timely customer service through the “no wrong door” approach.*

Department of Social Services

Strategic Plan Goals:

Goal 1: Ensure access to services for our customers.

- Provide opportunities to access services.
- Services and programs are needs driven, customer responsive and culturally relative.

Goal 2: Protect individuals from abuse, neglect and exploitation.

- Provide preventative services and supports for individuals to be safe.
- Provide services to individuals who have been abused neglected or exploited.

Goal 3: Foster partnerships to leverage resources for our customers.

- Encourage and support partnerships to provide cost effective services.
- Support Tribal government efforts to administer programs and services.

Department of Social Services

Strategic Plan Goals:

Goal 4: Improve outcomes through continuous quality improvement.

- Ensure the Department helps individuals and families achieve meaningful outcomes.
- Implement continuous quality improvements to achieve desired outcomes.

Goal 5: Strengthen and align human resources to meet our mission.

- Enhance recruitment and retention efforts that result in a workforce that implements the Department's mission.
- Provide employees with the knowledge and resources for quality performance.

Department of Social Services

Strategic Plan Accomplishments and Key Initiatives:

- **Continued implementation of the Affordable Care Act.**
 - Implemented an on-line application for Medicaid and CHIP and implemented new national Medicaid eligibility standards.
- **Implementation of health homes targeting individuals with chronic health conditions or at risk for chronic health conditions and or severe mental illness.**
- **Implemented several initiatives to increase placement resources for children who cannot remain safely with families.**
- **Implemented Money Follow the Person to transition individuals from institutional settings to community services.**

Department of Social Services

Strategic Plan Accomplishments and Key Initiatives – Con't.:

- **Continued development of services for individuals with behavioral health needs.**
 - Increased capacity for geriatric populations.
 - Established a specialized nursing home unit in Irene, South Dakota to serve 11 individuals with challenging behaviors.
 - Created a geriatric admissions unit at HSC.
 - Increased capacity for adults.
 - Implemented youth transitions program for young adults transitioning from residential care to the community.
 - Expanded evidence-based assertive community treatment services to the central and northeastern parts of the state.
 - Implemented the Criminal Justice Initiative's (CJI) evidence-based programming including substance abuse treatment and criminal thinking services for adults involved in the criminal justice system.

Department of Social Services

Strategic Plan Accomplishments and Key Initiatives – Con't.:

- **Continued development of services for individuals with behavioral health needs.**
 - Implementation of the Juvenile Justice Reinvestment Initiative (JJRI).
 - Future development of evidence-based mental health and substance abuse services for youth involved in the juvenile justice system.
 - Expanded community-based services, including in rural areas.
 - Functional Family Therapy (FFT) services.
 - Create stakeholder workgroup to examine possible options related to evidence-based mental health and substance abuse services.
 - Similar process as that used for adult Criminal Justice Initiative.

Department of Social Services

National Awards:

- **1st out of 54 states and territories in performance for the Senior Health Information and Insurance (SHIINE) program.**
- **2nd nationally for child support performance and effectiveness earning \$1.9 million in federal incentive payments used to administer the program.**
- **For the 30th consecutive year, South Dakota ranked as a national leader in administration of the Supplemental Nutrition Assistance Program earning \$915,424 in federal incentive payments used to administer the program.**
 - 1st in the nation for lowest case and procedural error rate.
 - 3rd in the nation for timeliness of payments.
 - 6th in the nation for the lowest payment error rate.
- **The Human Services Center received a 5-star Nursing Home Ranking from CMS.**

Department of Social Services

Future Regulatory Changes:

- **Home and Community Based Services**
 - New requirements for home and community based services with primary impact to assisted living services.
 - Compliance in 7 key areas – dignity and respect, privacy and autonomy, community integration, facility location, living arrangements and physical accessibility.
 - States are required to submit transition plans to CMS by March 15.
 - Collaboratively working with providers and consumers to develop a comprehensive plan.
- **Children's Services**
 - New recently published federal requirements for Child Care, Child Protection and Child Support.
 - Rules must be implemented starting September 2015 with final implementation in some areas required by 2017.
 - Evaluating these federal changes to determine impacts.

Department of Social Services

2014 CALENDAR YEAR FEDERAL POVERTY GUIDELINES

Annual Amount at Various Percentage Levels

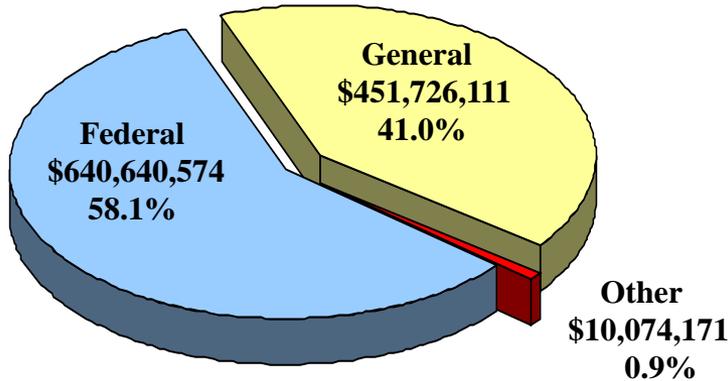
Family Size	100%	116%	130%	138%	141%	175%	182%	185%	209%
1	\$11,670	\$13,537	\$15,171	\$16,105	\$16,455	\$20,423	\$21,240	\$21,590	\$24,391
2	\$15,730	\$18,247	\$20,449	\$21,708	\$22,180	\$27,528	\$28,629	\$29,101	\$32,876
3	\$19,790	\$22,956	\$25,727	\$27,311	\$27,904	\$34,633	\$36,018	\$36,612	\$41,362
4	\$23,850	\$27,666	\$31,005	\$32,913	\$33,629	\$41,738	\$43,407	\$44,123	\$49,847
5	\$27,910	\$32,376	\$36,283	\$38,516	\$39,354	\$48,843	\$50,797	\$51,634	\$58,332
6	\$31,970	\$37,085	\$41,561	\$44,119	\$45,078	\$55,948	\$58,186	\$59,145	\$66,818
7	\$36,030	\$41,795	\$46,839	\$49,722	\$50,803	\$63,053	\$65,575	\$66,656	\$75,303
8	\$40,090	\$46,504	\$52,117	\$55,325	\$56,527	\$70,158	\$72,964	\$74,167	\$83,789
Each Additional (approximately)	\$4,060	\$4,710	\$5,278	\$5,602	\$5,725	\$7,105	\$7,389	\$7,511	\$8,485

	<i>Federal Minimum</i>	<i>South Dakota</i>
<i>Medicaid (Pregnant Women)</i>	<i>133%</i>	<i>138%</i>
<i>Medicaid</i>		
<i>Children Under Six</i>	<i>133%</i>	<i>182%</i>
<i>Children Over Six</i>	<i>100%</i>	<i>116%</i>
<i>CHIP Children's Health Insurance Program</i>	<i>141%</i>	<i>209%</i>
<i>SNAP</i>	<i>130%</i>	<i>130%</i>
<i>LIEAP</i>	<i>110%</i>	<i>175%</i>
<i>Child Care</i>	<i>N/A</i>	<i>175%</i>
<i>Community Behavioral Health</i>	<i>N/A</i>	<i>185%</i>

Department of Social Services

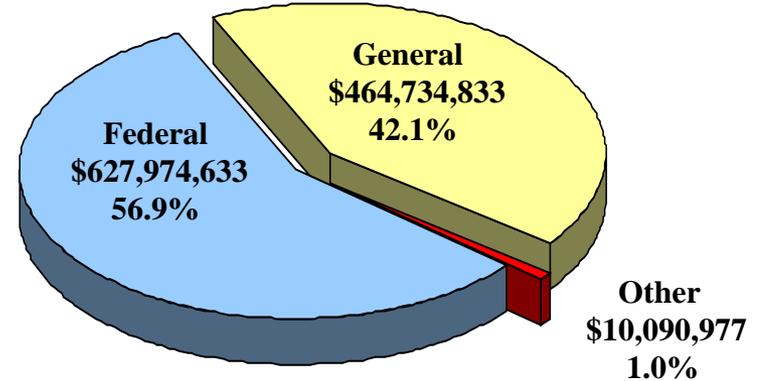
FY15 Budget Compared to FY16

FY15 Operating Budget



Total: \$1,102,440,856 and 1,656.3FTE

FY16 Recommended Budget

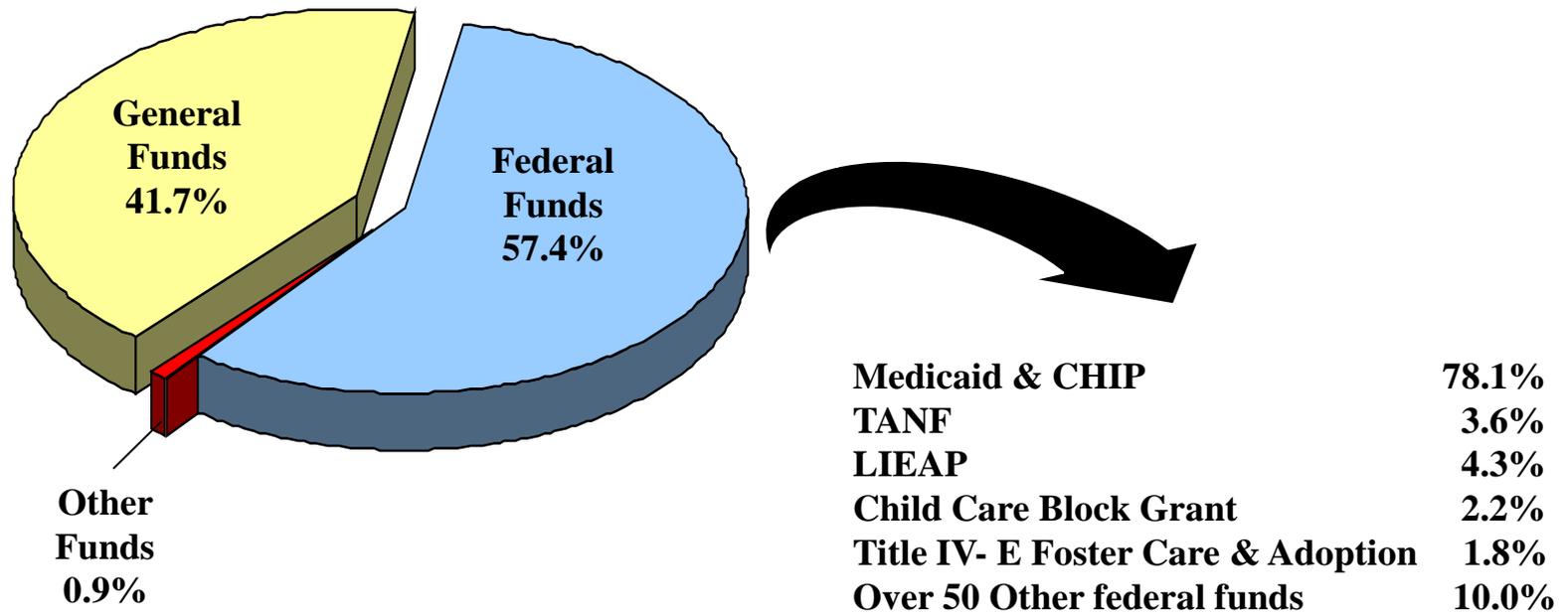


Total: \$1,102,800,443 and 1,656.3 FTE

	GENERAL	FEDERAL	OTHER	TOTAL
FY15 Operating Budget – 1,656.3 FTE:	\$451,726,111	\$640,640,574	\$10,074,171	\$1,102,440,856
FY16 Recommended Budget – 1,656.3 FTE:	\$464,734,833	\$627,974,633	\$10,090,977	\$1,102,800,443
FY16 Recommended Inc./Dec. 0.0 FTE:	\$13,008,722	(\$12,665,941)	\$16,806	\$359,587

Department of Social Services

FY16 Budget – Total \$1,115,440,856



Major General Fund Impacts to DSS Budget

❑ **Federal Medical Assistance Percentage (FMAP)**

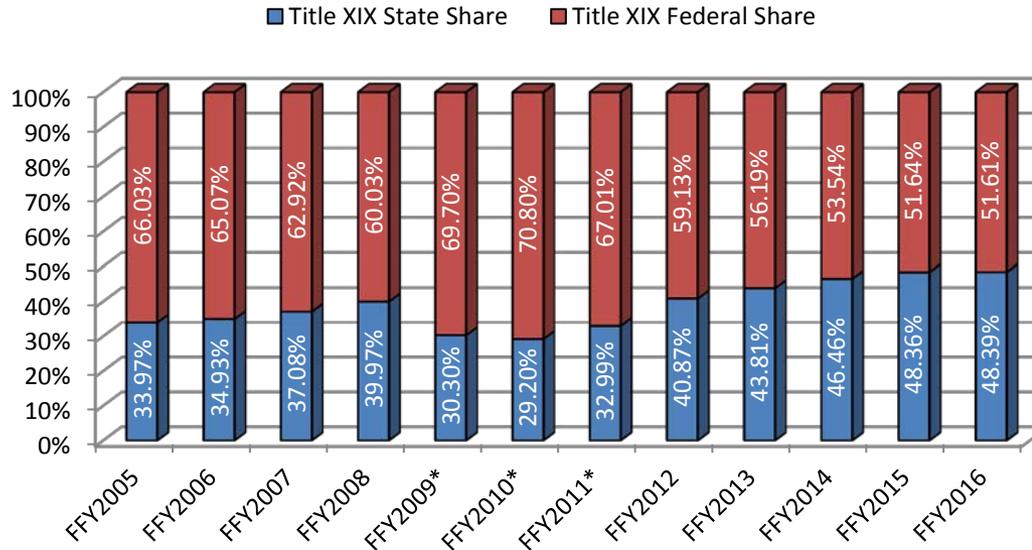
- **The FMAP determines how much the state and federal government pay for their share of Medicaid expenditures.**
- **The FMAP is determined annually for the federal fiscal year (10/1 – 9/30) using previous 3 year’s personal income data from each state.**
- **Formula compares each State’s average per capita income change in relation to each other.**
- **State FMAP rates range anywhere from 50% to 74%.**
- **For budgeting purposes, a “blended” FMAP rate is calculated using the FMAP rate in effect for each quarter. This includes a blend of 1 quarter from one federal fiscal year and 3 quarters from another federal fiscal year.**

SFY16 FMAP Blended Rates:

- **Title XIX: From a state match of 47.88% in FY15 to a state match of 48.38% in FY16.
Title XIX: From a federal match of 52.12% in FY15 to a federal match of 51.62% in FY16.**
- **Title XXI (CHIP): From a state match of 33.52% in FY15 to a state match of 16.61% in FY16.
Title XXI (CHIP): From a federal match of 66.48% in FY15 to a federal match of 83.39% in FY16.**

Department of Social Services

Title XIX History of FMAP – Federal Fiscal Year



**FFY09, FFY10, FFY11 adjusted for ARRA. FMAP rates without ARRA adjustment: FFY09 62.55% federal/37.45% general, FFY10 62.72% federal/ 37.28% general, FFY11 61.25% federal/ 38.75% general.*

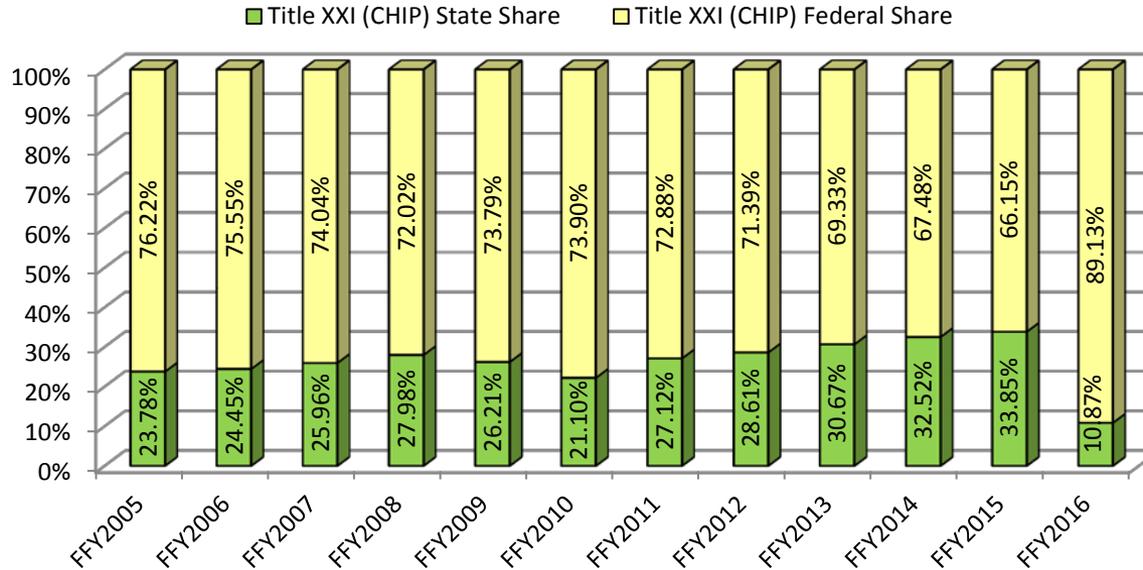
- For budgeting purposes, a “blended” FMAP rate is calculated using the FMAP rate in effect for each quarter. This includes a blend of 1 quarter from one federal fiscal year and 3 quarters from another federal fiscal year.

SFY16 Title XIX FMAP Blended Rates: \$3,050,661Gen.

- Title XIX: From a state match of 47.88% in FY15 to a state match of 48.38% in FY16.
- Title XIX: From a federal match of 52.12% in FY15 to a federal match of 51.62% in FY16.

Department of Social Services

Title XXI CHIP History of FMAP – Federal Fiscal Year



SFY16 Title XXI (CHIP) Enhanced FMAP Blended Rates: **(\$4,574,874) Gen.**

- Title XXI (CHIP): From a state match of 33.52% in FY15 to a state match of 16.61% in FY16.
- Title XXI (CHIP): From a federal match of 66.48% in FY15 to a federal match of 83.39% in FY16.

Other Changes Title XXI:

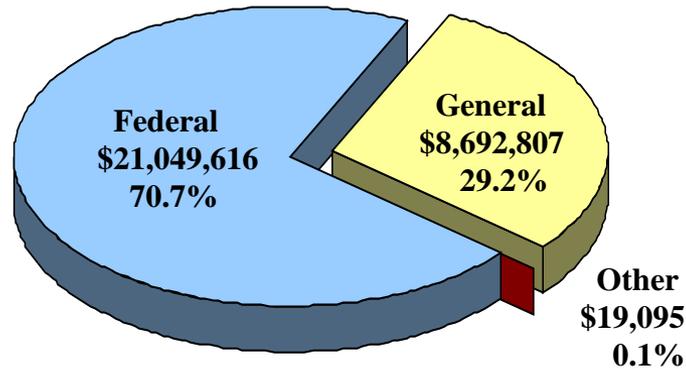
- The Affordable Care Act includes a **temporary** 23% increase to the CHIP federal match rate beginning October 1, 2015 and ending September 30, 2019.
- While CHIP is authorized through 2019, the ACA provided funding for CHIP through September 2015.
- CHIP is a block grant and it is unclear if federal CHIP allotments will be increased commensurate with the temporary match rate change.
- \$90,767 base CHIP match rate change + (\$4,665,641) temp 23% change = Net change (\$4,574,874).

Major General Fund Impacts - Cont.

- ❑ **Federal Medical Assistance Percentage FMAP - (\$1,524,213) Gen.**
- ❑ **Provider Inflation - \$8,625,017 Gen.**
 - **Mandatory Inflation**
 - **Discretionary Inflation – 2%**
- ❑ **Changes in Medicaid - \$3,224,973 Gen.**
 - **Medicaid Changes in Eligibles, Cost, & Utilization**
 - **Health Home Match Rate Change**
- ❑ **Behavioral Health Expansion - \$3,424,572 Gen.**
 - **Alcohol and Drug Abuse Expansion and Rate Change for the Low Intensity Program**
 - **Juvenile Justice Reinvestment Initiative**
- ❑ **Other Reductions/Increases - (\$741,627) Gen.**
 - **Reductions in Nursing Homes**
 - **Reductions in Child Care Subsidy**
 - **Reductions in Psychiatric Residential Treatment Facilities**
 - **Subsidized Adoptions and Subsidized Guardianships**
 - **Other Items - HSC**

Office of the Secretary

FY15 Operating Budget:



Total: \$29,761,518 and 182.7 FTE

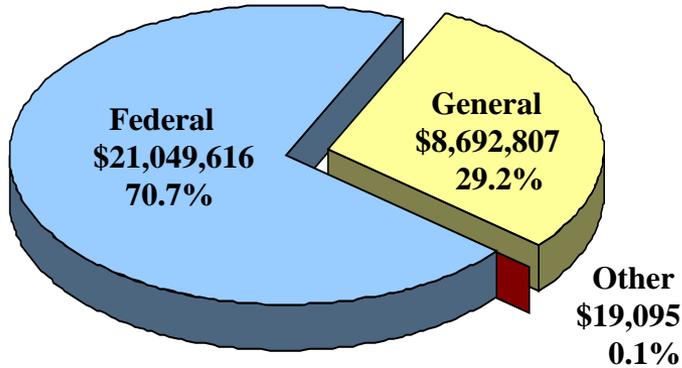
FY15 Major Budget Areas:

	FTE	General	Federal	Other	Total
Administration	111.2	\$2,364,739	\$3,330,119	\$0	\$5,694,858
Field Office Clerical	95.2	\$1,642,437	\$2,378,365	\$0	\$4,020,802
Finance	63.5	\$2,397,541	\$3,008,550	\$13,234	\$5,419,325
Technology	0.0	\$3,602,416	\$14,267,518	\$5,861	\$17,875,795
Legal	8.0	\$328,111	\$443,429	\$0	\$771,540
Total Office of the Secretary	182.7	\$8,692,807	\$21,049,616	\$19,095	\$29,761,518
Personal Services	182.7	\$4,266,712	\$5,512,659	\$9,826	\$9,789,197
Operating Expense	0.0	\$4,426,095	\$15,536,957	\$9,269	\$19,972,321
Total Office of the Secretary	182.7	\$8,692,807	\$21,049,616	\$19,095	\$29,761,518

Office of the Secretary

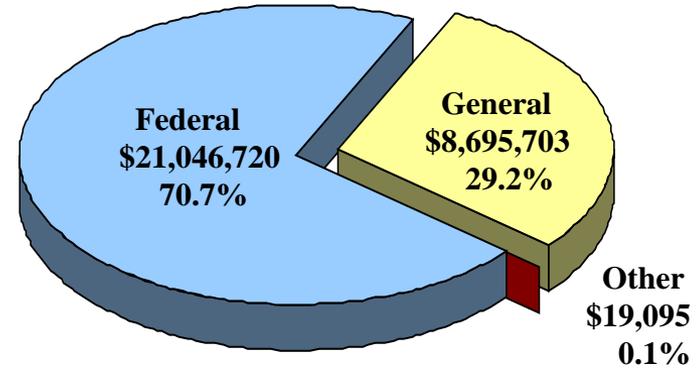
FY15 Budget Compared to FY16

FY15 Operating Budget



Total: \$29,761,518 and 182.7 FTE

FY16 Recommended Budget



Total: \$29,761,518 and 182.7 FTE

MAJOR BUDGET INCREASES AND DECREASES

	GENERAL	FEDERAL	OTHER	TOTAL
FMAP - Federal Medical Assistance Percentage:	\$2,896	(\$2,896)	\$0	\$0
Totals:	\$2,896	(\$2,896)	\$0	\$0

Department of Social Services



Division of Economic Assistance (EA)

Division of Economic Assistance

Who we serve:

- Low income families, pregnant women, and children.
- Elderly.
- People with disabilities.

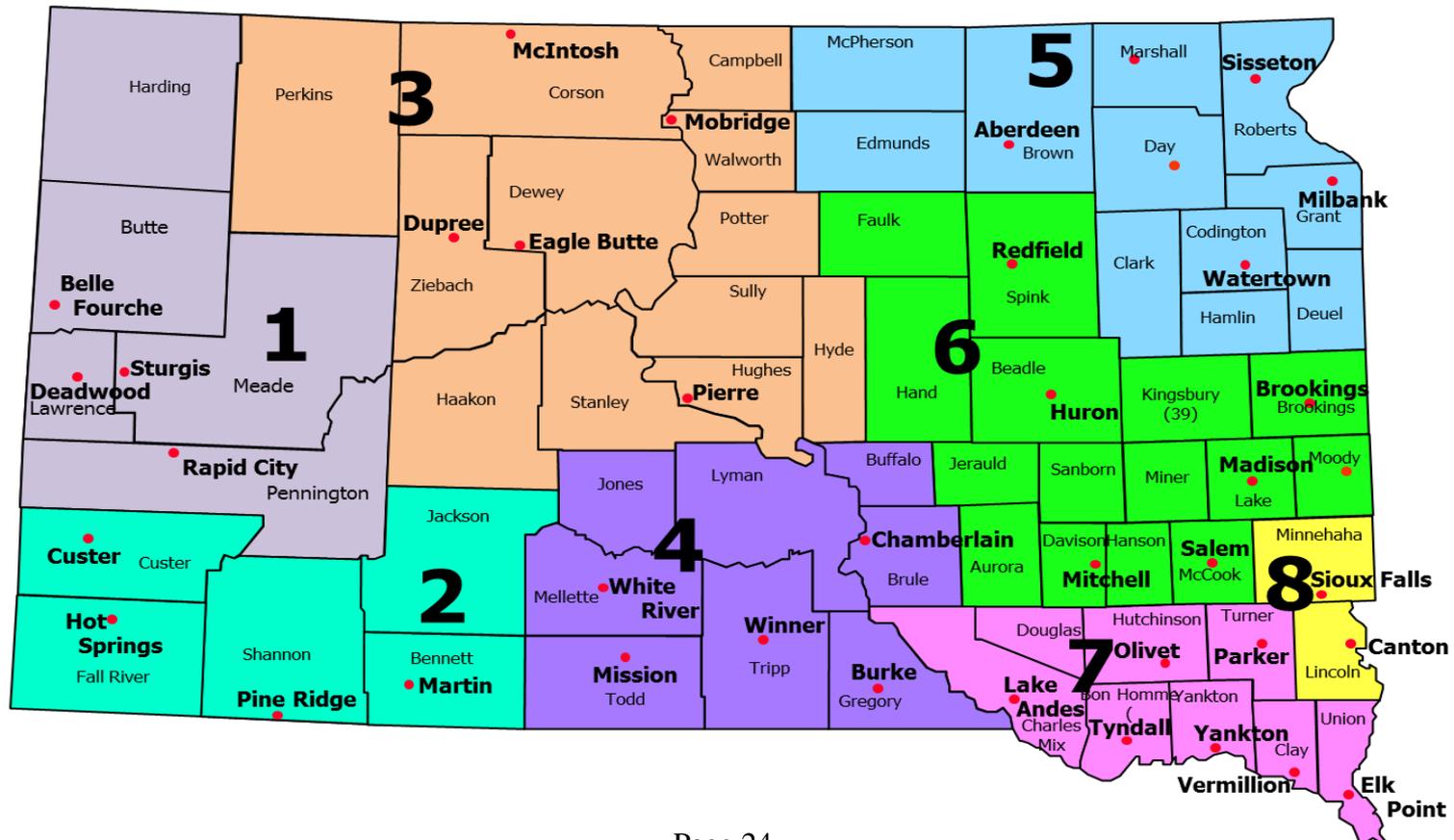
Services Provided:

- **Eligibility determination for programs including:**
 - Supplemental Nutrition Assistance Program (SNAP)
 - Temporary Assistance for Needy Families (TANF)
 - Medicaid and Children's Health Insurance Program (CHIP)
 - Low Income Energy Assistance Program (LIEAP) and Weatherization
- **Education assistance for youth in out of home placements (Auxiliary Placement).**
- **Services to low income individuals by Community Action Programs.**

Division of Economic Assistance

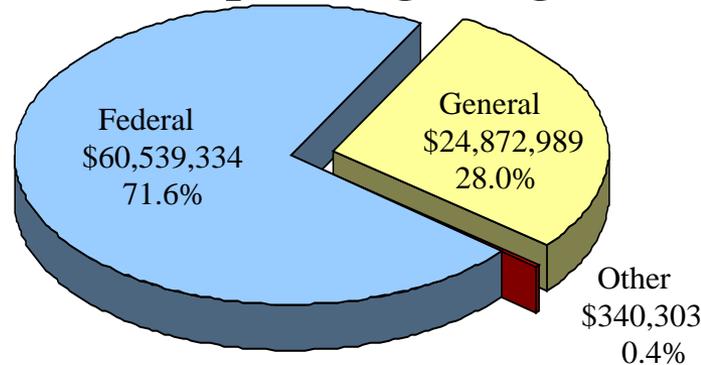
Service Delivery:

- Economic Assistance staff are located full time and itinerantly in 63 offices across the state.
- 320.5 FTE located in 8 regions across the state.
- How to Apply: DSS office, mail, on-line, kiosks, and telephone.



Division of Economic Assistance

FY15 Operating Budget:



Total: \$85,752,626 and 320.5 FTE

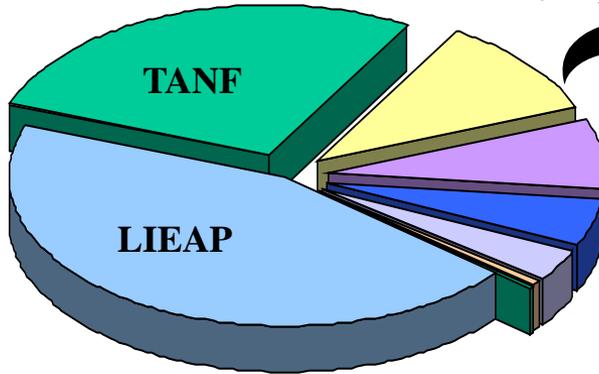
FY15 Major Budget Areas:

	FTE	General	Federal	Other	Total
EA Administration and Field Staff	318.5	\$11,712,442	\$16,026,885	\$340,303	\$28,079,630
TANF Cash Grants	0.0	\$6,121,555	\$11,155,263	\$0	\$17,276,818
Auxiliary Placement	2.0	\$6,273,517	\$2,411,483	\$0	\$8,685,000
Supplemental Security Income (SSI) State Supplementation	0.0	\$765,475	\$0	\$0	\$765,475
Energy Assistance (LIEAP) and Weatherization	0.0	\$0	\$27,845,850	\$0	\$27,845,850
Community Action Programs	0.0	\$0	\$3,099,853	\$0	\$3,099,853
Total EA	320.5	\$24,872,989	\$60,539,334	\$340,303	\$85,752,626
Personal Services	320.5	\$7,845,786	\$10,897,033	\$23,280	\$18,766,099
Operating Expense	0.0	\$17,027,203	\$49,642,301	\$317,023	\$66,986,527
Total EA	320.5	\$24,872,989	\$60,539,334	\$340,303	\$85,752,626

Division of Economic Assistance

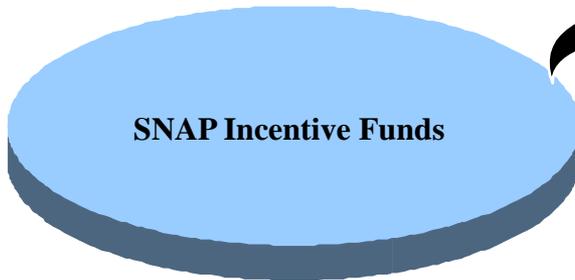
FY15 Funding Sources

Federal Fund Sources – Total \$60,539,334



LIEAP	44.37%
TANF	27.83%
SNAP	10.97%
Medicaid & CHIP	7.47%
Community Services Block Grant	5.20%
Weatherization	3.37%
IDEA – DOE Funding	0.50%
Other Fund Sources	0.29%

Other Fund Sources – Total \$340,303



SNAP Incentive Funds	100.00%
----------------------	---------

Division of Economic Assistance

EA Administration and Field Staff:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	318.5	\$11,712,442	\$16,026,885	\$340,303	\$28,079,630

Supplemental Nutrition Assistance Program (SNAP):

- **SNAP is a federal program administered by DSS.**
- **Benefits are 100% federally funded and issued through the South Dakota Electronic Benefits Transfer (EBT) card.**
 - FY14 benefits issued: \$153.5 million.
 - Federal funds for benefits not part of DSS budget.
- **Eligibility requirements are established federally through the United States Department of Agriculture's (USDA) Food and Nutrition Services (FNS).**
- **SNAP helps individuals and families by supplementing their food budget, and providing nutrition education.**
 - SNAP benefits may not be used for non-food items, beer, wine, tobacco.

Division of Economic Assistance

SNAP - Who We Serve:

- 64% of SNAP recipients are children, adults age 60 or older, or individuals with disabilities.
 - Average monthly benefit: \$287.
 - Average number of months on benefits: 8.6.
- 38% of SNAP households have at least one working adult in the home.
 - Average household size: 2.
 - Average monthly income \$1,228 per month.
- 46% of SNAP households income source Social Security (SSA) or Supplemental Security Income (SSI) as their income source.

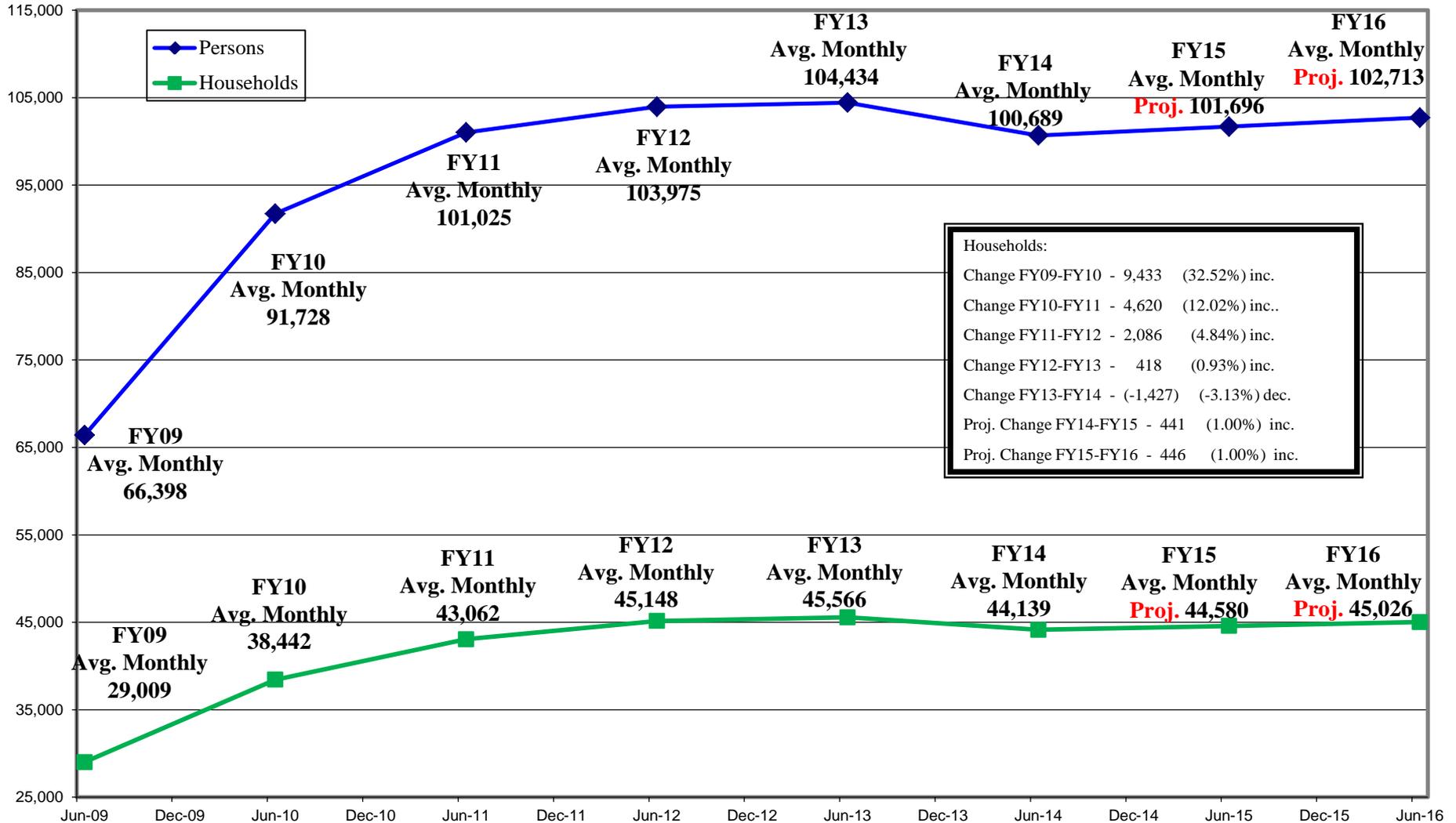
Division of Economic Assistance

SNAP- Eligibility:

- Income limit: 130% of the federal poverty level. (\$31,005 family of four).
- Resource limit: \$2,250.
- Work Requirements: Individuals, ages 18-59, able to work, not attending school or not caring for a dependent child under age 6 must work at least 30 hours per week or actively be seeking work.
- Specific Employment and Training programs located in state's two largest counties – Minnehaha and Pennington.
 - DSS contracts with Department of Labor and Regulation.

Economic Assistance

Supplemental Nutrition Assistance Program – Avg. Persons/Households



Division of Economic Assistance

SNAP - Program Integrity:

- **SNAP utilizes several quality assurance mechanisms to ensure program integrity.**
 - Formal federally approved quality assurance program.
 - External federal audits.
 - Internal quality assurance.
- **South Dakota has an unmatched record in meeting federal requirements and making accurate and timely eligibility determinations.**
- **For 30 consecutive years, South Dakota has received performance bonuses from the federal government due to our high level of integrity in administering the program.**
 - FFY2013 South Dakota SNAP was ranked 1st in the nation for lowest case and procedural error rate, 3rd in the nation for timeliness of payments and 6th in the nation for the lowest payment error rate.

Division of Economic Assistance

Medicaid and Children's Health Insurance Program (CHIP):

- **Medical assistance for low income children and families.**
- **Economic Assistance staff determine eligibility for the program in accordance with South Dakota's federally approved Medicaid State Plan.**
- **Majority of Administrative costs are funded with 50% general fund match.**

Division of Economic Assistance

Title XIX & Title XXI (CHIP) - Eligibility:

- **Eligibility and coverage for individuals is based on several factors including age, financial and non-financial criteria (if applicable).**
- **To be eligible for Medicaid, an individual must be a member of a coverage group.**
 - Children under age 19
 - Low income families with children under age 19
 - Pregnant women
 - Elderly
 - Persons who are disabled
- **Income and resource limits vary by coverage group.**

	<i>Federal</i>	<i>South</i>
	<u><i>Minimum</i></u>	<u><i>Dakota</i></u>
Low-Income Families (LIF)	<i>N/A</i>	<i>53%</i>
Medicaid (Pregnant Women)	<i>133%</i>	<i>138%</i>
Medicaid		
Children Under Six	<i>133%</i>	<i>182%</i>
Children Over Six	<i>100%</i>	<i>116%</i>
CHIP Children's Health Insurance Program	<i>141%</i>	<i>209%</i>

**Figures include the 5% mandatory disregard for MAGI groups*

Division of Economic Assistance

Title XIX & Title XXI (CHIP) – Eligibility - Continued:

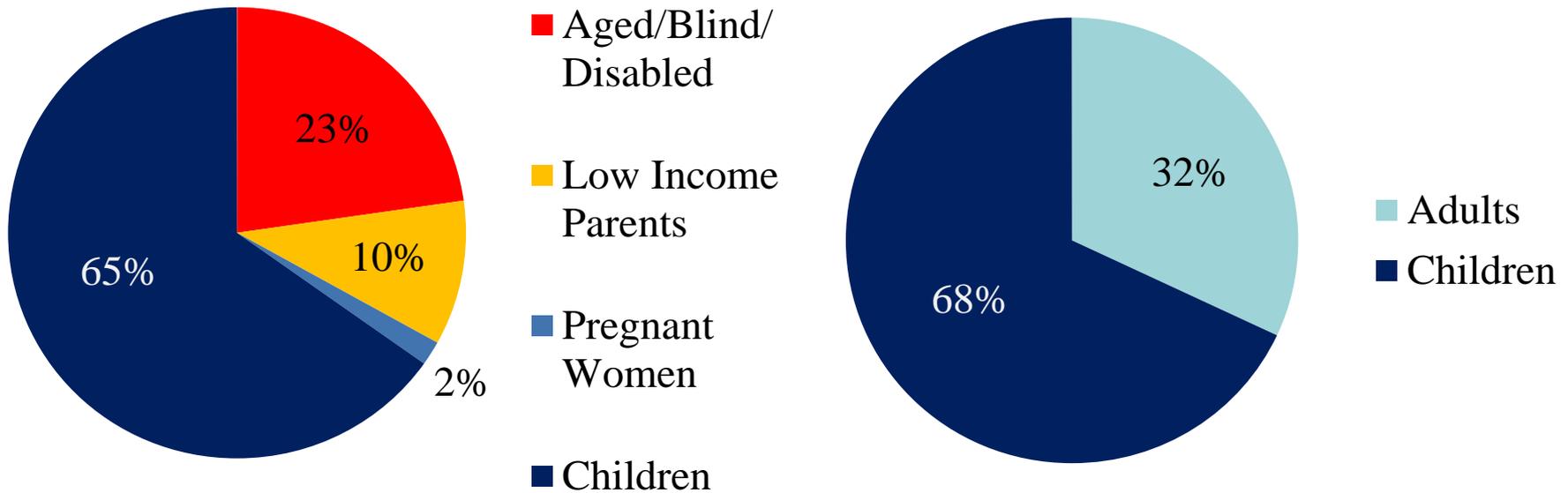
- **Additional requirements:**
 - State residency.
 - U.S. Citizenship or qualified alien.
 - Assigning rights to medical support and payment.
 - Assisting in pursuing third parties that may be liable to pay for care and services.
- **The last two cycles of federal reviews indicated South Dakota ranked #1 with the lowest error rate in determining Medicaid eligibility.**

Division of Economic Assistance

- Who Does Medicaid Cover?

Medicaid and Children's Health Insurance Program (CHIP)

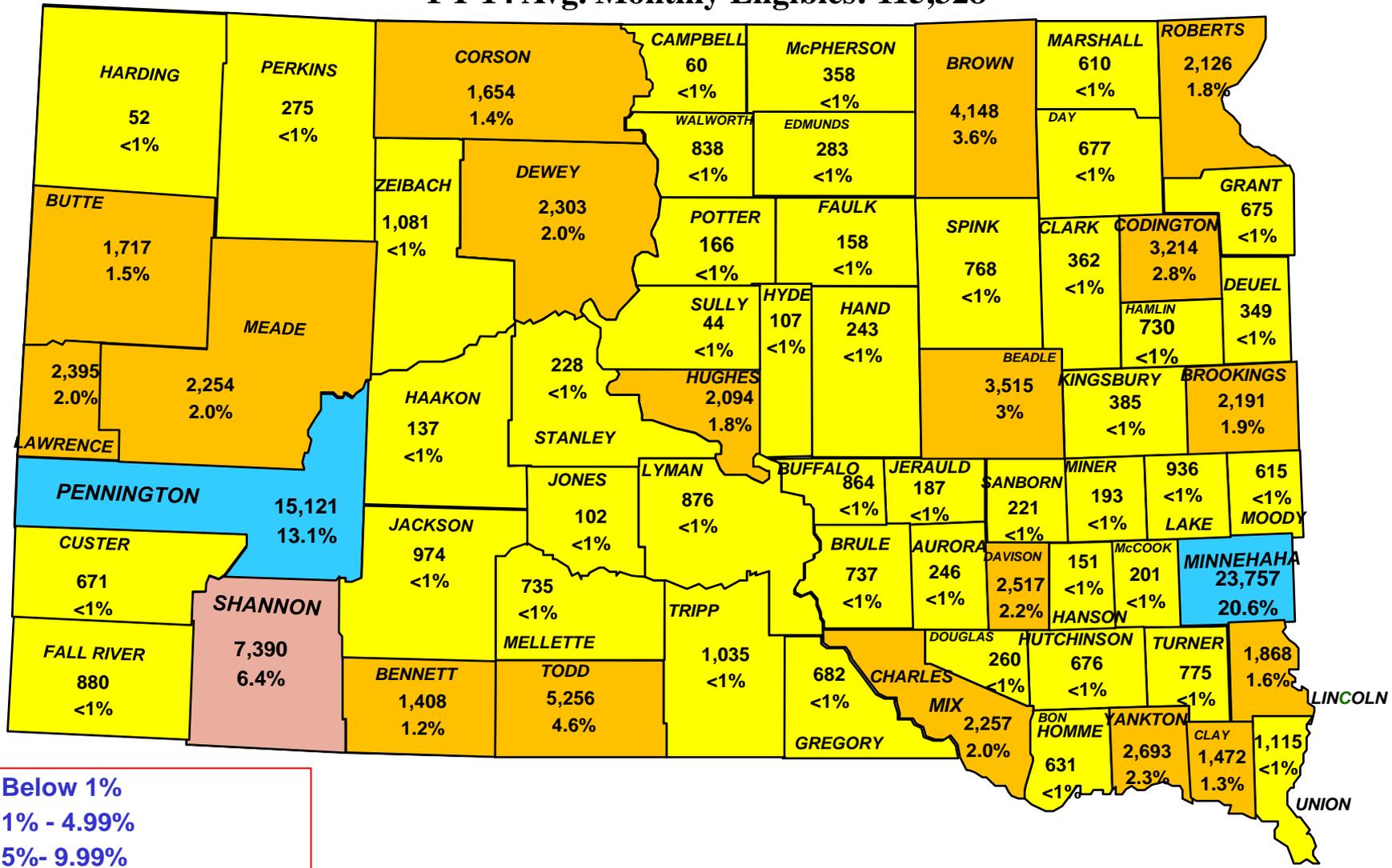
SFY14 Actual Average Monthly Eligibles – 115,328



Division of Economic Assistance

Medicaid Eligibles by County

FY 14 Avg. Monthly Eligibles: 115,328



Division of Economic Assistance

Effective January 1, 2014 – Affordable Care Act:

- **Changes in the basis for determining Medicaid eligibility.**
- **Use of gross income vs. net income as the basis for determining Medicaid eligibility nationally.**
 - Converted federal poverty levels.
- **States must verify information electronically.**
- **No changes to long term care eligibility.**
- **Changes to the process applicants use to apply.**
 - In addition to how people apply for Medicaid, applicants must be able to apply on-line directly to the State Medicaid Agency or to the Federally Facilitated Marketplace (FFM) or a State established Exchange.
 - South Dakota is utilizing the Federally Facilitated Marketplace.
- **State Medicaid agencies must be able to receive applications from the FFM and send applications to the FFM.**

Division of Economic Assistance

Effective January 1, 2014 – Affordable Care Act- con't:

- **First open enrollment period January 1, 2014 - March 30, 2014.**
 - **Extension to April 15, 2014 for applicants that started an application by March 30 but had problems with FFM processing.**
 - **During open enrollment 24,147 South Dakotan's applied to the FFM.**
 - **5,423 individuals referred to DSS Medicaid.**
 - 2,845 (52%) already enrolled in SD Medicaid.
 - 2,041 (38%) not eligible for SD Medicaid.
 - Did not meet income guidelines.
 - No coverage group.
 - 537 (10%) of applicants determined to be eligible for Medicaid.
 - 411 Children – 76.5%.
 - 126 Adults – 23.5%.

Division of Economic Assistance

Effective January 1, 2014 – Affordable Care Act- con't:

- **Implementation Challenges:**
 - **During first open enrollment period individuals caught in “loop” due to FFM programming issues.**
 - FFM not able to identify duplicate applications referred back to the FFM from DSS so process started over.
 - CMS corrected the looping error in late March 2014.
 - **CMS unable to send account transfers real time creating a backlog of applications.**
 - Inability to send real time transfers resulted in backlog of applications being submitted to DSS. CMS sent states lists of individuals “flat file” in late December 2013.
 - South Dakota outreached these individuals “stuck” at the FFM to obtain application information and determine Medicaid eligibility so that those ineligible for Medicaid could enroll in Qualified Health Plans.
 - South Dakota one of the first states to resolve backlog.
 - CMS corrected this issue in April 2014.

Division of Economic Assistance

Effective January 1, 2014 – Affordable Care Act- con't:

- **Implementation Challenges:**
 - **Shift in children from CHIP to Medicaid**
 - States expected to see some churn in Medicaid and CHIP eligibles as a result of the converted federal poverty levels .
 - In January 2014- South Dakota began seeing larger than anticipated shift of children from CHIP where services are paid at the enhanced match rate to Medicaid where services are funded at the regular FMAP rate.
 - Discussions with CMS resulted in adjusting South Dakota's federal poverty levels. Re-evaluated eligibility determination for all children retroactively to January resulting in shift of 2,900 children back to CHIP where services are paid at the higher match rate.

Division of Economic Assistance

Effective January 1, 2014 – Affordable Care Act- con't:

- **Second open enrollment period November 15, 2014 – February 15, 2015.**
- **November 15, 2014 – December 29, 2014 – YTD.**
- **During open enrollment 13,400 South Dakotan's applied to the FFM.**
 - **2,256 individuals referred to DSS Medicaid.**
 - **1,935 (86%) completed determinations.**
 - 671 (35%) – already enrolled in SD Medicaid.
 - 917 (47%) – not eligible for SD Medicaid.
 - Did not meet income guidelines.
 - No coverage group.
 - 347 (18%) of applicants determined to be found eligible for Medicaid.
 - 300 Children – 86%.
 - 47 Adults – 14%.
 - **321 (14%) being evaluated for eligibility determination.**

Division of Economic Assistance

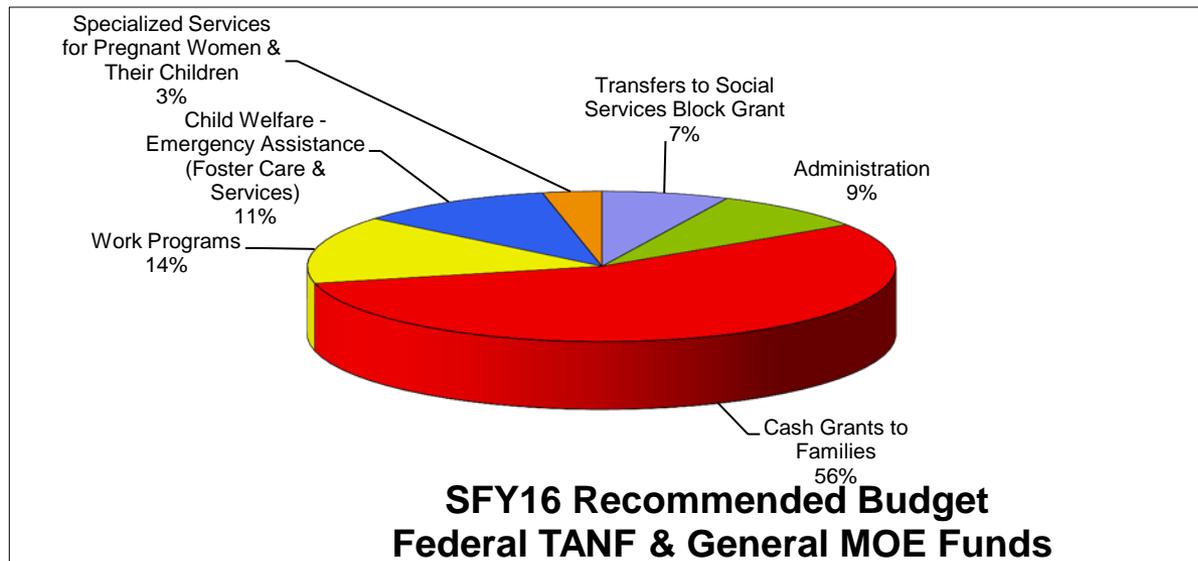
Effective January 1, 2014 – Affordable Care Act- con't:

- **Continued Implementation Challenges:**
 - While income guidelines standardized nationally, FFM still not differentiating state specific coverage groups resulting in a number of applications sent to DSS for individuals not eligible for Medicaid.
 - Medicaid eligibility check feature not yet implemented resulting in large number of application sent to DSS for individuals already enrolled in SD Medicaid. DSS required to process and send results back to the FFM.
 - Federal requirements continue to change.

Division of Economic Assistance

Temporary Assistance for Needy Families (TANF):

- Through welfare reform the Aid for Families with Dependent Children (AFDC) program was transitioned to the federal TANF block grant.
- TANF is used to fund a variety of programs including.
 - Cash grants to families.
 - Work programs.
 - Child welfare/emergency assistance.
 - Specialized services for pregnant women and their children.



Division of Economic Assistance

Temporary Assistance for Needy Families (TANF) - Continued:

- **The TANF annual federal award is \$21,279,651 and we are required to match with general funds \$8,540,000 as our required Maintenance of effort (MOE) for a total of \$29,819,651. There are no anticipated increases to the federal award.**
- **Most states nationally, including South Dakota have carryover balances from prior years grant awards. As of June 30, 2014 the projected federal carryover balance was \$20,509,302.**

Division of Economic Assistance

Temporary Assistance for Needy Families (TANF) Cash Grants:

	General	Federal	Other	Total	
FTE	Funds	Funds	Funds	Funds	
FY15 Budget	-	\$6,121,555	\$11,155,263	\$0	\$17,276,818

- **Needs based cash assistance program for families with children who need financial support because of the death of a parent, a parent is absent from the home, or physical or mental incapacity or unemployment of a parent.**
- **TANF is a work program and individuals must meet work requirements.**
- **In addition to individual work requirements, States are required to meet 50% work participation rate to receive federal TANF funds.**
 - **South Dakota work participation rate: 57%.**
- **TANF benefits are intended to assist individuals and their families in meeting their basic needs such as food, clothing, shelter, utilities, household items, and personal care items.**
- **Majority of benefits are issued via Electronic Payment Card.**

Division of Economic Assistance

TANF- Who We Serve:

- **SFY14 Average monthly caseload: 3,149.**
 - Average monthly benefit: \$415.05.
 - Average length of time on benefits: 4.3 months.

TANF- Eligibility:

- **Income limit: 32% of the federal poverty level (\$7,716 annually for a family of four).**
- **Resource limit: \$2,000.**
- **Over 2/3 of TANF cases are non-parent relative caretakers.**
 - Benefit is for children only- relative caretaker not included in benefit and no work requirements for these cases.
 - These are children who would be in foster care without relative placements or would be at risk of foster care placements.
 - FY14 Monthly average caseload: 2,348.

Division of Economic Assistance

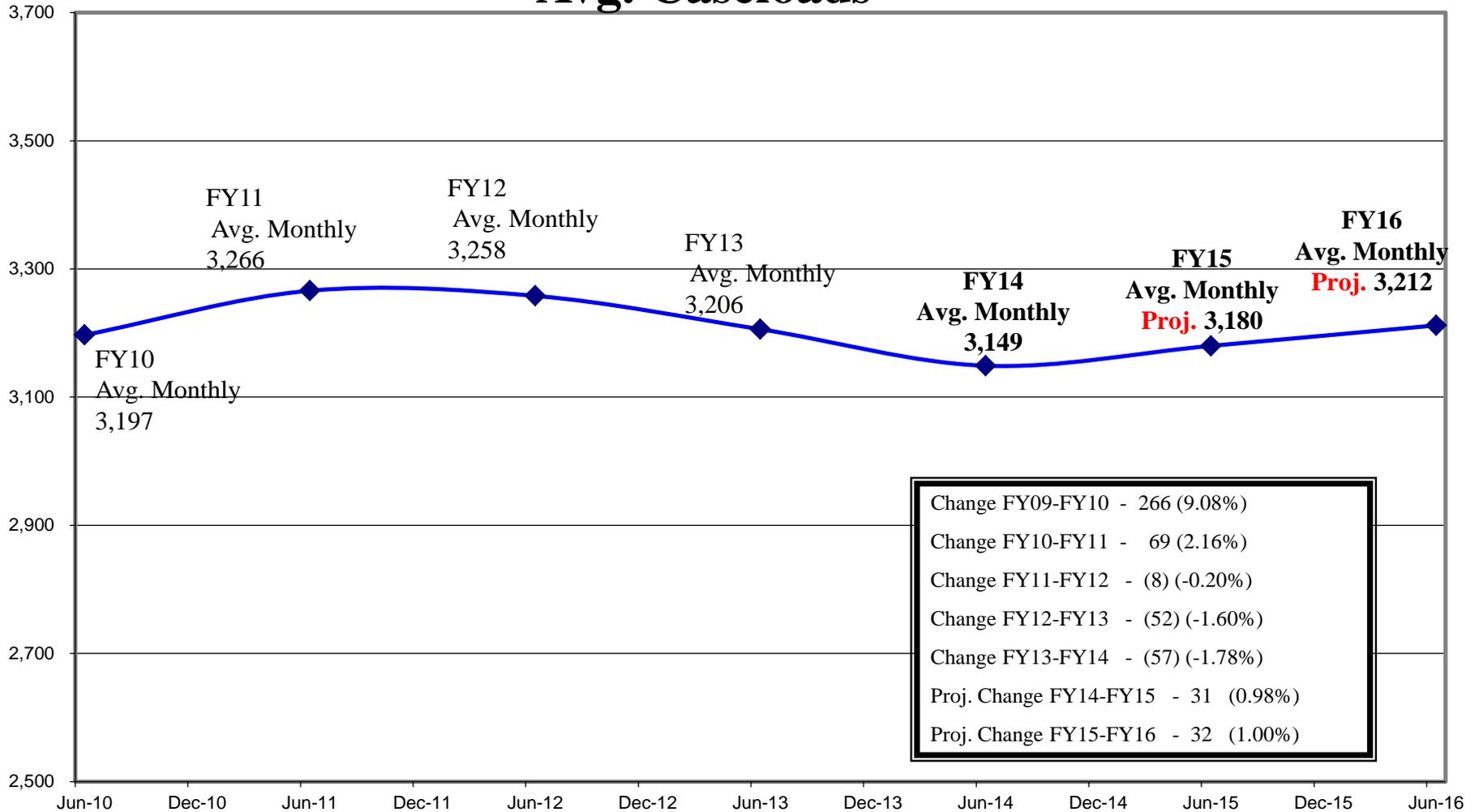
TANF Eligibility:

- **Remainder of cases are parents that are required to participate in work activities 20 or 30 hours per week based on the age of the youngest child in the home.**
 - Parents receiving SSI, SSDI or 100% VA disability or with a child under 12 weeks of age exempt from work requirements.
 - FY14 Monthly average caseload: 801.
- **DSS contracts with Department of Labor and Regulation.**
 - Placement in work activities including employment, job search and job training, vocational education, and community service.
- **SFY14 Outcome Data for TANF Work participants.**
 - 906 entered employment.

Division of Economic Assistance

Temporary Assistance for Needy Families (TANF)

Avg. Caseloads



Division of Economic Assistance

Auxiliary Placement:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	2.0	\$6,273,517	\$2,411,483	\$0	\$8,685,000

- **Provides funding for tuition costs for children in state custody in certain settings - DSS or Department of Corrections.**
- **FY14 Children Served: 445.**
 - 405 children served by residential treatment providers.
 - 40 children served by Community Support Providers.
- **Staff lead state placement team to ensure children are placed in the least restrictive setting.**

Division of Economic Assistance

Supplemental Security Income (SSI) State Supplement:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$765,475	\$0	\$0	\$765,475

- **SSI State Supplement pays a nominal monthly benefit to individuals whose sole source of income is SSI.**
- **Individuals must be living independently.**
 - FY14 Average Monthly eligible: 3,943.
 - Monthly benefit: \$15.
- **Federally required.**

Division of Economic Assistance

Energy Assistance (LIEAP) and Weatherization:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$0	\$27,845,850	\$0	\$27,845,850

- **Energy Assistance**

- Low Income Energy Assistance Program (LIEAP).
- Financial assistance to low income families to assist with heating expenses.
- Federally funded block grant.

- **Weatherization**

- The Weatherization Assistance Program enables low-income families to reduce their energy bills by making their homes more energy efficient.
- Federally funded block grant.

Division of Economic Assistance

Energy Assistance - Low Income Energy Assistance Program (LIEAP):

Who we Serve:

- **52.9% are households with individuals who are over age 59 or disabled.**
- **46.1% are households with children.**
- **Approved Households: 24,517 with 57,056 individuals.**
 - Average benefit amount: \$968 per year.
 - Average household size: 2.3.

Division of Economic Assistance

LIEAP Eligibility:

- **Income limit: 175% of the federal poverty level (\$41,738 annually for a family of four).**
- **Benefit amounts vary based on income, heat regions, and heat source.**
- **Pay directly to providers for heating assistance.**
- **Income limits and heat regions can be found online at <http://dss.sd.gov/energyassistance>.**
- **Six of South Dakota's nine tribes administer their own programs:**
 - Cheyenne River Sioux Tribe
 - Lower Brule Sioux Tribe
 - Oglala Sioux Tribe
 - Rosebud Sioux Tribe
 - Standing Rock Sioux Tribe
 - Yankton Sioux Tribe

Division of Economic Assistance

Energy Assistance - Weatherization Program:

Who We Serve:

- **76% of all households have individuals over age 59 or disabled.**
- **56% of all households have children.**

- **FY14 households weatherized: 168.**
- **FY14 average cost per household \$7,552.**

- **Contracts with community action programs.**

Division of Economic Assistance

Community Action Programs:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$0	\$3,099,853	\$0	\$3,099,853

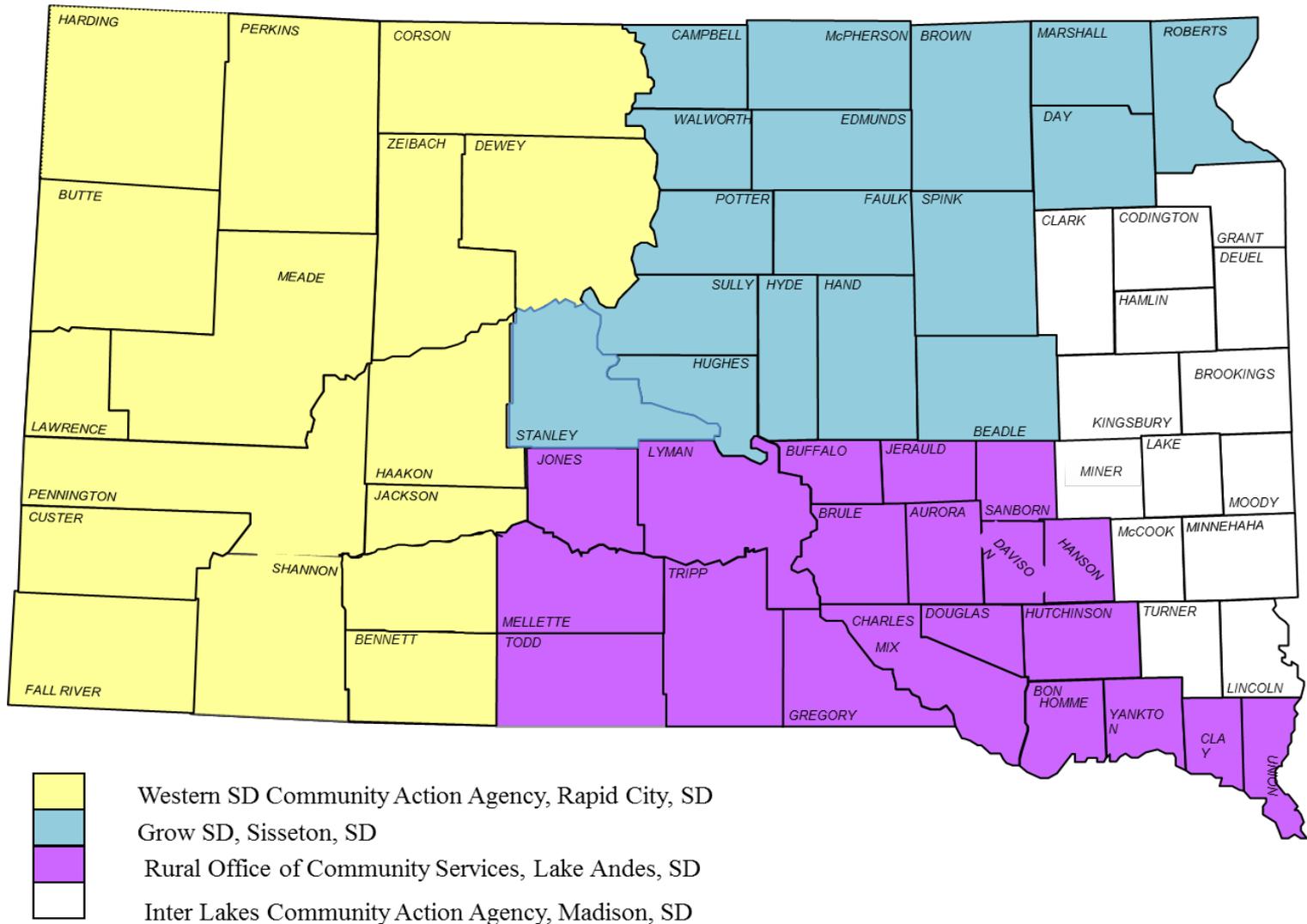
- **Federal block grant to help low income people and families move toward self sufficiency.**
 - Assistance gaining employment, home rehabilitation.
 - Emergency assistance (heat, rent, food) and transportation.
- **Funding limited to federally defined Community Action Agencies.**
- **Four tribes receive funding directly from the federal government.**
 - Rosebud Sioux Tribe
 - Oglala Sioux Tribe
 - Sisseton-Wahpeton Sioux Tribe
 - Yankton Sioux Tribe

Eligibility:

Income limit: 125% of poverty. (\$29,813 family of four).

Division of Economic Assistance

South Dakota Community Action Program Service Areas



Division of Economic Assistance

Case examples:

Scenario 1: Single male working full time at minimum wage at 127% FPL:

- Jim is a 50 year old single man. He works 72 hours a month at a security company and earns monthly gross wages of \$648 (\$9/hour). He also does part time maintenance work 69 hours a month, earning monthly gross wages of \$587 (\$8.50/hour). His income is at 127% of the federal poverty level. He has a 1997 car valued at \$1,900. He has no bank accounts. He pays \$550 a month rent and is responsible for heat, electricity, and telephone. Jim does not have health insurance.
- Jim is eligible for \$91 monthly Supplemental Nutrition Assistance Program (SNAP) benefits.
- Jim is eligible for heating assistance through the Low Income Energy Assistance Program (LIEAP). His total LIEAP benefit for the 2014-2015 heating season is \$500.
- Jim is Not eligible for Medicaid or TANF.

*Applies to December 2014 Benefit Amounts

Division of Economic Assistance

Case examples:

Scenario 2: College student working two part time jobs 108% FPL:

- Kelly is a 20 year old single female who is a full time college student. She works 58 hours a month at an assisted living facility earning monthly gross wages of \$493 (\$8.50/hour). She also works at a gas station 66 hours a month earning monthly gross wages of \$561 (\$8.50/hour). Her income is at 108% of the federal poverty level. She owns a 1999 car, valued at \$500, and has \$698 in a bank account. She pays \$500 a month rent and is responsible for heat, electricity, and telephone. Kelly does not have health insurance.
- Kelly is eligible for \$134 monthly Supplemental Nutrition Assistance Program (SNAP) benefits.
- Kelly is eligible for heating assistance through the Low Income Energy Assistance Program (LIEAP). Her total LIEAP benefit for the 2014-2015 heating season is \$728.
- Kelly is Not eligible for Medicaid or TANF.

*Applies to December 2014 Benefit Amounts

Division of Economic Assistance

Case examples:

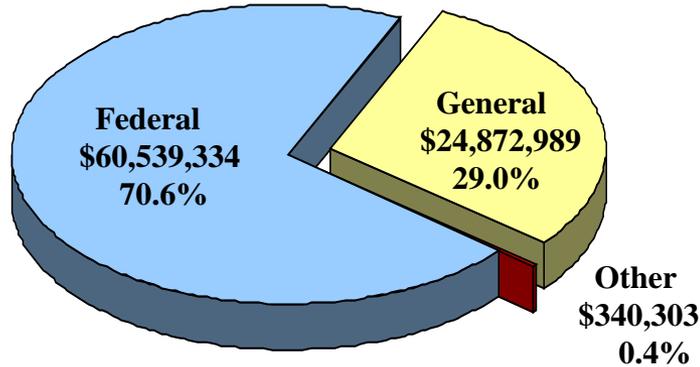
Scenario 3: A single mom of 2 children at 60% FPL:

- Molly is a 33 year old single mother of two boys. She works at a bank and makes \$1,440 a month (\$9/hour) and receives sporadic child support. A three month average of her child support shows \$400 a month. Her income is at 60% of the federal poverty level. Molly owns a 2004 Chevy impala valued at \$6,000. The family has \$300 in savings and checking accounts. Molly has a mortgage of \$600 month (mortgage/insurance/taxes) and is responsible for all utilities. She pays \$191 monthly in child care with the remainder of her child costs paid by Child Care Assistance. Molly does not have health insurance.
- Molly is eligible for \$296 in monthly Supplemental Nutrition Assistance Program (SNAP) benefits.
- Molly is eligible for heating assistance through the Low Income Energy Assistance Program (LIEAP). Her total LIEAP benefit for the 2014-2015 heating season is \$844.00
- Molly is eligible for \$191 monthly assistance from the Child Care Assistance Program while she is working.
- The children are eligible for Medicaid. Molly is Not eligible for Medicaid.
- The family is Not eligible for TANF.

Division of Economic Assistance

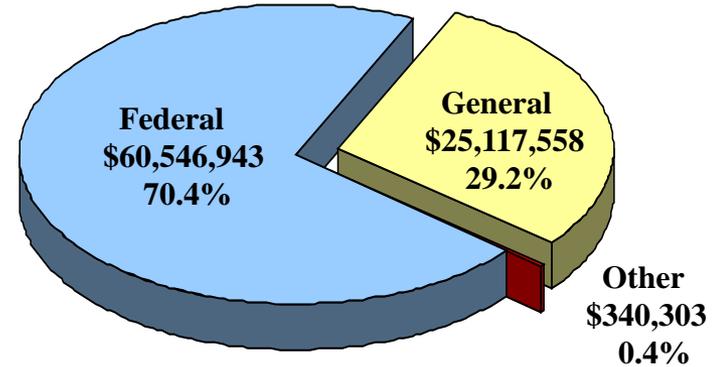
FY15 Budget Compared to FY16

FY15 Operating Budget



Total: \$85,752,626 and 320.5 FTE

FY16 Recommended Budget



Total: \$86,004,804 and 320.5 FTE

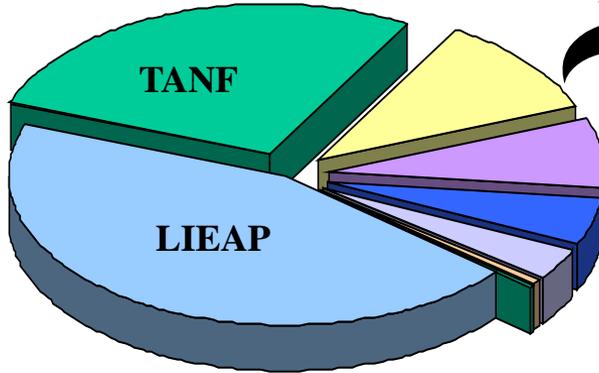
MAJOR BUDGET INCREASES AND DECREASES

	GENERAL	FEDERAL	OTHER	TOTAL
FMAP - Federal Medical Assistance Percentage:	\$2,987	(\$2,987)	\$0	\$0
Inflation: Inflation for auxiliary placement, TANF contracts, SNAP Employment & Training.	\$241,582	\$10,596	\$0	\$252,178
Totals:	\$244,569	\$7,609	\$0	\$252,178

Division of Economic Assistance

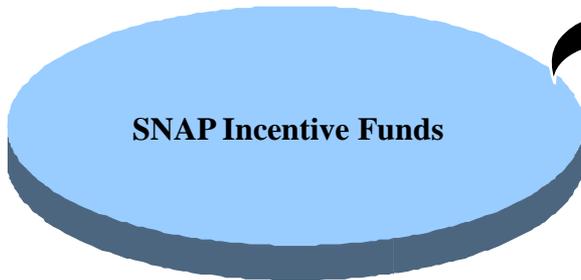
FY16 Funding Sources

Federal Fund Sources – Total \$60,546,943



LIEAP	44.73%
TANF	28.01%
SNAP	10.62%
Medicaid & CHIP	7.17%
Community Services Block Grant	5.25%
Weatherization	3.41%
IDEA – DOE Funding	0.51%
Other Funding Sources	0.30%

Other Fund Sources – Total \$340,303



SNAP Incentive Funds	100.00%
----------------------	---------

Department of Social Services



Medical Services and Adult Services and Aging

- Division of Medical Services
- Division of Adult Services and Aging

Department of Social Services



Division of Medical Services (MS)

Division of Medical Services

Overview

- **What is Medicaid?**
- **Who We Serve.**
- **Services Provided.**
- **Budget Development.**

Division of Medical Services

South Dakota Medicaid:

- **Medicaid is the nation's publicly financed health care coverage program for low-income people enacted in 1965 under Title XIX of the Social Security Act and Title XXI the Children's Health Insurance Program (CHIP) enacted in 1997.**
- **Medicaid is not Medicare.**
 - Medicare is specific to the over 65 population and the disabled population who meet the federal disability criteria.
 - Medicare is a federally administered and funded program.
- **Medicaid is an entitlement program- all people eligible must be served.**
- **Federal – State partnership governed by Medicaid State Plan.**

Division of Medical Services

South Dakota Medicaid State Plan:

Is a contract between the state and the federal government describing how South Dakota administers the state's Medicaid program.

- A contract with the federal government outlining who is served and what services are covered.
- States administer the Medicaid program.
- Each state plan is different due to optional services provided making it difficult to compare states side-by-side.
- When you've seen one Medicaid program, you've seen one Medicaid program.

Division of Medical Services

South Dakota Medicaid State Plan (cont.)

- Department of Social Services is the designated Single State Agency for overall administration.
- Amendments to the State Plan reflect federal and state changes in the Medicaid program.
- There is a formal process for making changes to the State Plan.
 - An amendment must go through public notice and Tribal consultation prior to submission to the Regional Center for Medicare and Medicaid Services (CMS) for approval.
- South Dakota State Plan can be found on the Department website at:
 - <http://dss.sd.gov/medicalservices/medicaidstateplan/index.asp>.
- In addition, Medicaid Fee Schedules for Service (FFS) Reimbursement can be found at:
 - <http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx>.
- Annual South Dakota Medicaid Report can be found at:
 - <http://dss.sd.gov/FY2014SDMedicaidReport.pdf>

Division of Medical Services

Regulatory Structure:

- **Federal Rules**
 - Code of Federal Regulations (CFR)
 - Defines the mandatory Medicaid benefits and populations that the state is required to provide health care coverage for to receive federal funding.
 - Provides optional Medicaid benefits and populations a state can cover.
- **State Rules**
 - Administrative Rules of South Dakota (ARSD).
 - Implements federal and state legislative mandates/changes.
 - Contains specific limits on the amount, duration and scope of services for South Dakota Medicaid providers and recipients.

Division of Medical Services

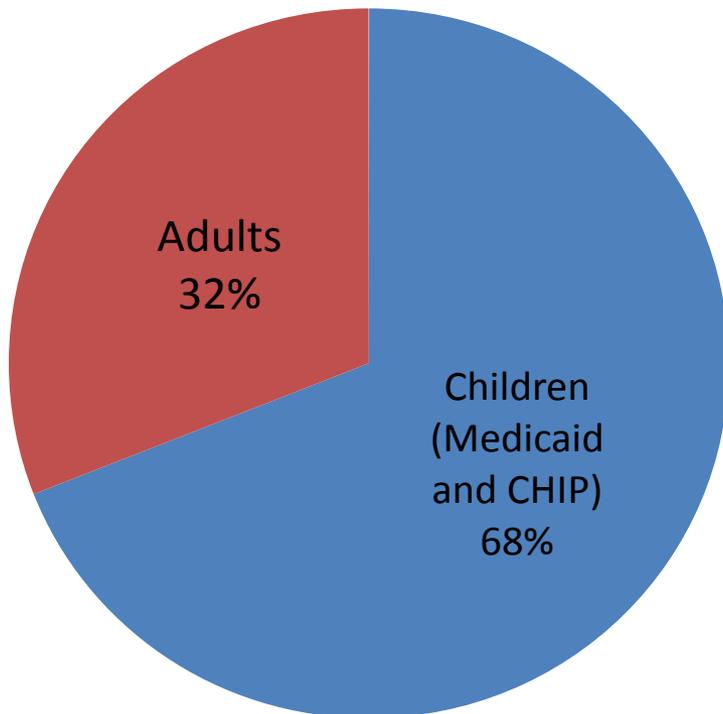
Who We Serve:

- **Provide Healthcare Coverage:**
 - Low income children, pregnant women, adults and families
 - Elderly or disabled
 - Children in foster care
 - Adult coverage is limited to:
 - Elderly or disabled
 - Parent/Caregiver/Relatives of Low Income Children - 53% FPL (family of three \$10,489 annual income)
 - 68% children and 32% adults
- **SFY 2014 Average Monthly Eligible South Dakotans:**
 - Elderly – 7,078
 - Disabled/Blind – 18,914
 - Pregnant Women (pregnancy only) – 1,844
 - Low-income Adults – 11,897
 - Children of Low-income Families – 63,076
 - Children covered by CHIP – 12,519
 - **Total Average Monthly – 115,328**

Division of Medical Services

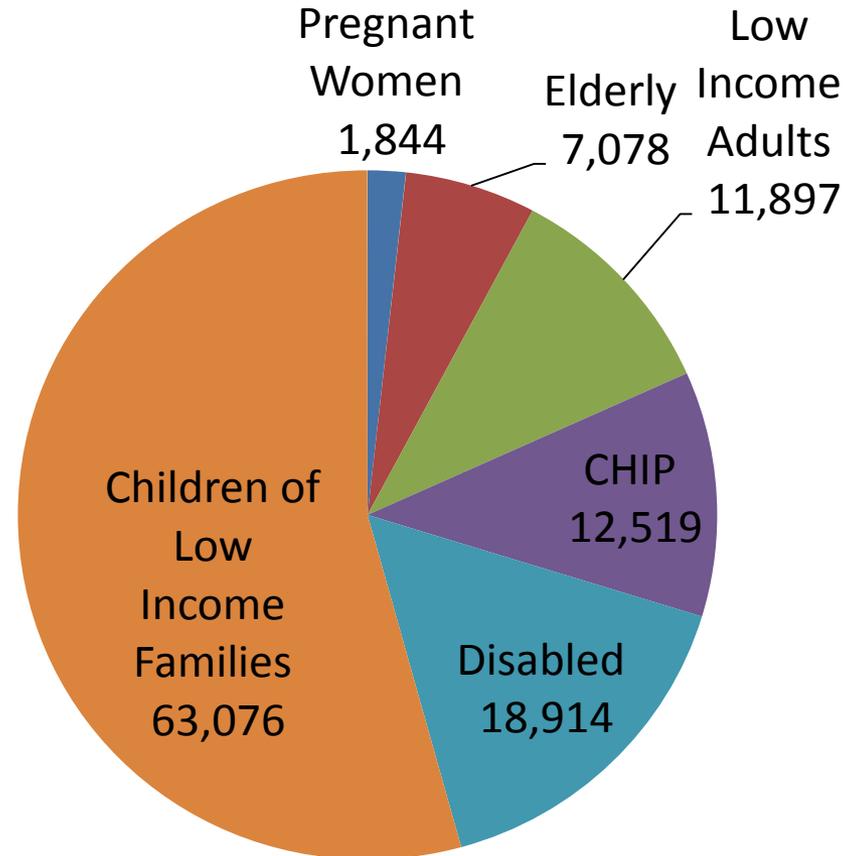
Medicaid Participation

Age
SFY 2014



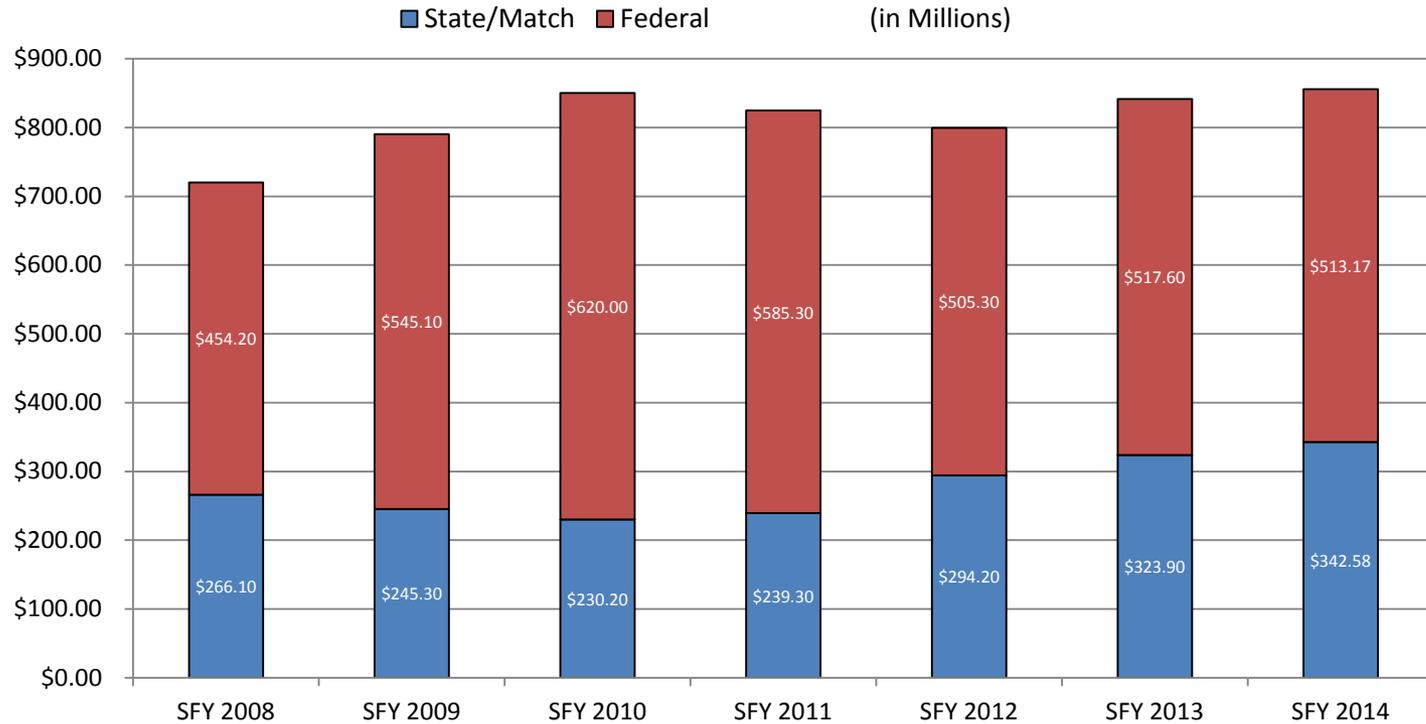
Medicaid Participation

Eligibility Category
SFY 2014



Division of Medical Services

South Dakota Medicaid Expenditures, SFY 2008-2014



*Includes all state agency Medicaid expenditures.

Division of Medical Services

Majority of Expenses by Provider Type, SFY 2014

Provider	SFY 2014 Expense (Millions)	% of Total
Hospital	\$174.9	23.0%
Nursing Homes/Assisted Living Providers/Hospice	\$140.7	18.5%
Community Support Providers	\$114.4	15.0%
Physicians, Independent Practitioners and Clinics	\$106.8	14.0%
Indian Health Services	\$72.8	9.6%
Pharmacies	\$32.0	4.2%
South Dakota Developmental Center and Human Services Center	\$34.9	4.6%
Substance Abuse, Mental Health and Other Community Support Providers	\$22.1	2.9%
Psychiatric Residential Youth Care Providers	\$28.0	3.7%
Dentists	\$17.2	2.3%
Durable Medical Equipment Providers	\$9.8	1.3%
In-Home Service Providers for the Elderly and Skilled Home Health	\$ 8.3	1.1%
Total for Majority of Expenses	\$761.9	

*Includes all state agency Medicaid expenditures.

Division of Medical Services

Medical Services - Average Cost of Service - SFY14:

		Avg. Eligibles
Aged	\$1,986	7,078
Blind/Disabled Adults	\$7,266	15,740
Blind/Disabled Children	\$14,398	3,172
Children of Low Income Families	\$2,460	63,077
Pregnant Women	\$8,522	2,612
Low Income Adults	\$6,103	11,130
Children's Health Insurance	\$1,884	12,519
		<hr/>
		115,328

* Does not include Medicare premiums, admin, drug rebates, & other non-direct service costs

Division of Medical Services

Service Delivery:

- **Medical Services Staff – 52.0 FTE**
 - Provider Enrollment
 - Process Claims
 - Surveillance Utilization & Review
 - Electronic Health Records
 - Prior Authorizations for services
 - Manage State Plan
 - Staff located in Pierre, Rapid City and Sioux Falls

Division of Medical Services

Health Care Services:

- Covered Healthcare Services must be medically necessary and physician ordered.
- Recipients participate in cost sharing, but there are limits set federally and certain groups are exempt from cost sharing.

Medicaid Mandatory Services (examples)	South Dakota Optional Services (examples)
<ul style="list-style-type: none">• Inpatient hospital services• Outpatient hospital services• Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) services• All Medically Necessary care for eligible children under age 21• Nursing facility services• Home health services• Physician services• Rural health clinic services• Federally qualified health center services• Laboratory and X-ray services• Nurse Midwife services• Certified Pediatric and Family Nurse Practitioner services• Transportation to medical care• Tobacco cessation counseling for pregnant women	<ul style="list-style-type: none">• Physician assistants• Psychologists and independent mental health practitioners• Intermediate Care Facilities for the Mentally Retarded (ICF/MR)• Podiatry• Prescription Drugs• Optometry• Chiropractic services• Durable medical equipment• Dental services• Physical, occupational, speech therapy, audiology• Prosthetic devices and eyeglasses• Hospice care, nursing services• Personal care services and home health aides

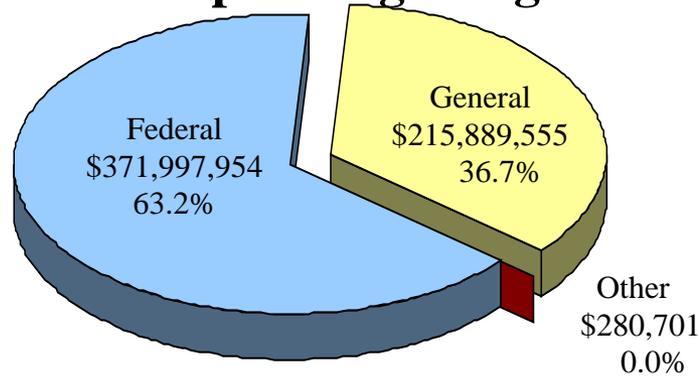
Division of Medical Services

Medicaid Waivers:

- **States can only get waivers for specific areas of Medicaid.**
- **Cannot waive the basic tenants of Medicaid.**
 - Cannot cap enrollment.
 - Must be cost/budget neutral.
- **Can only vary from existing federal Medicaid requirements in certain areas, e.g.**
 - Level of care requirements, i.e., serve people at home instead of institutions.
 - Services or Populations Covered - usually used to expand services.
- **Specific process to obtain waivers.**
 - Requires a series of detailed steps, including an application and public notice.
- **South Dakota has four Home and Community Based Waivers.**
 - Provide services outside of institutions.
 - DSS- aging and disabled waiver.
 - DHS- 2 ID/DD waivers, 1 waiver for people with quadriplegia.

Division of Medical Services

FY15 Operating Budget:



Total: \$588,168,210 and 52.0 FTE

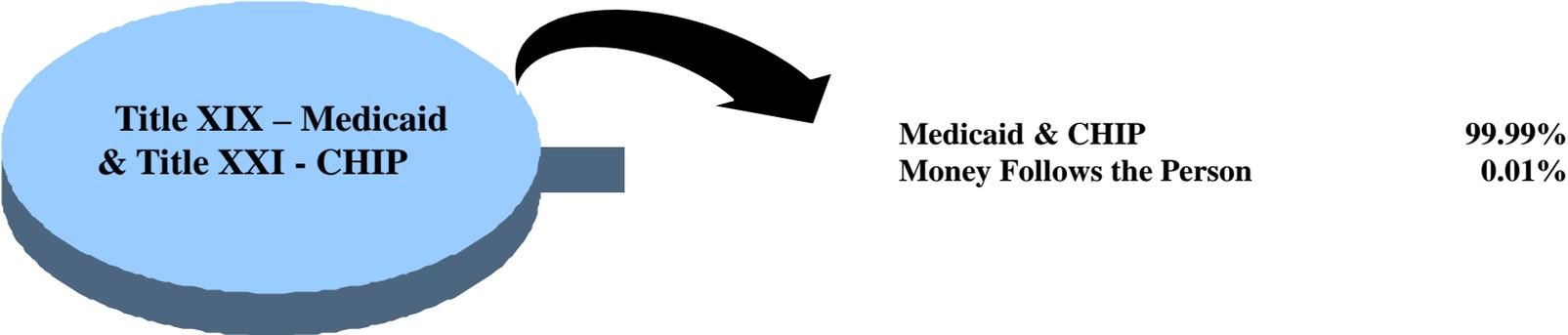
FY15 Major Budget Areas:

	FTE	General	Federal	Other	Total
MS Administration and Field Staff	52.0	\$4,587,318	\$36,969,744	\$280,701	\$41,837,763
Physician Services	0.0	\$38,128,830	\$43,259,534	\$0	\$81,388,364
Inpatient Hospital	0.0	\$58,140,773	\$63,289,412	\$0	\$121,430,185
Outpatient Hospital	0.0	\$26,730,543	\$29,097,663	\$0	\$55,828,206
Prescription Drugs	0.0	\$13,938,515	\$14,029,853	\$0	\$27,968,368
Other Medical Services	0.0	\$6,928,958	\$7,542,557	\$0	\$14,471,515
Medicare Part A, B, D, and Crossovers	0.0	\$43,572,799	\$29,261,358	\$0	\$72,834,157
Early and Periodic Screening, Diagnosis, Treatment (EPSDT) Services	0.0	\$12,890,776	\$13,288,525	\$0	\$26,179,301
Children's Health Insurance Program (CHIP)	0.0	\$7,940,533	\$15,748,399	\$0	\$23,688,932
Indian Health Services	0.0	\$0	\$84,577,751	\$0	\$84,577,751
Health Information Technology	0.0	\$0	\$31,700,000	\$0	\$31,700,000
All Others	0.0	\$3,030,510	\$3,233,158	\$0	\$6,263,668
Total Medical Services	52.0	\$215,889,555	\$371,997,954	\$280,701	\$588,168,210
Personal Services	52.0	\$755,391	\$2,386,340	\$0	\$3,141,731
Operating Expense	0.0	\$215,134,164	\$369,611,614	\$280,701	\$585,026,479
Total Medical Services	52.0	\$215,889,555	\$371,997,954	\$280,701	\$588,168,210

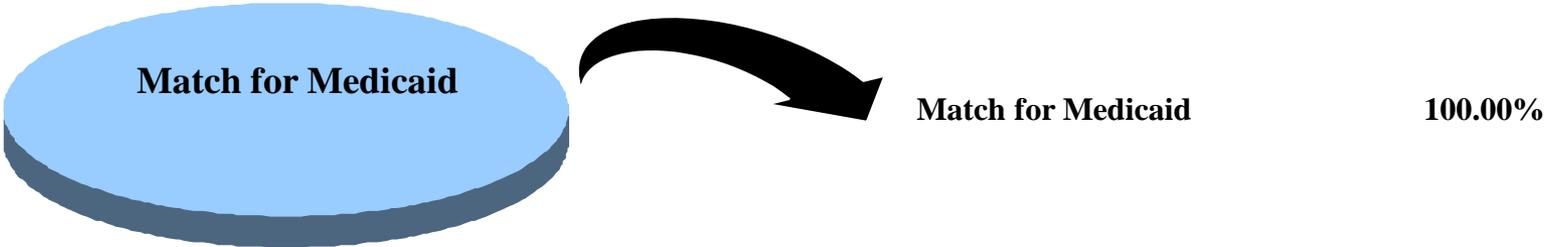
Division of Medical Services

FY15 Funding Sources

Federal Fund Sources – Total \$371,997,954



Other Fund Sources – Total \$280,701

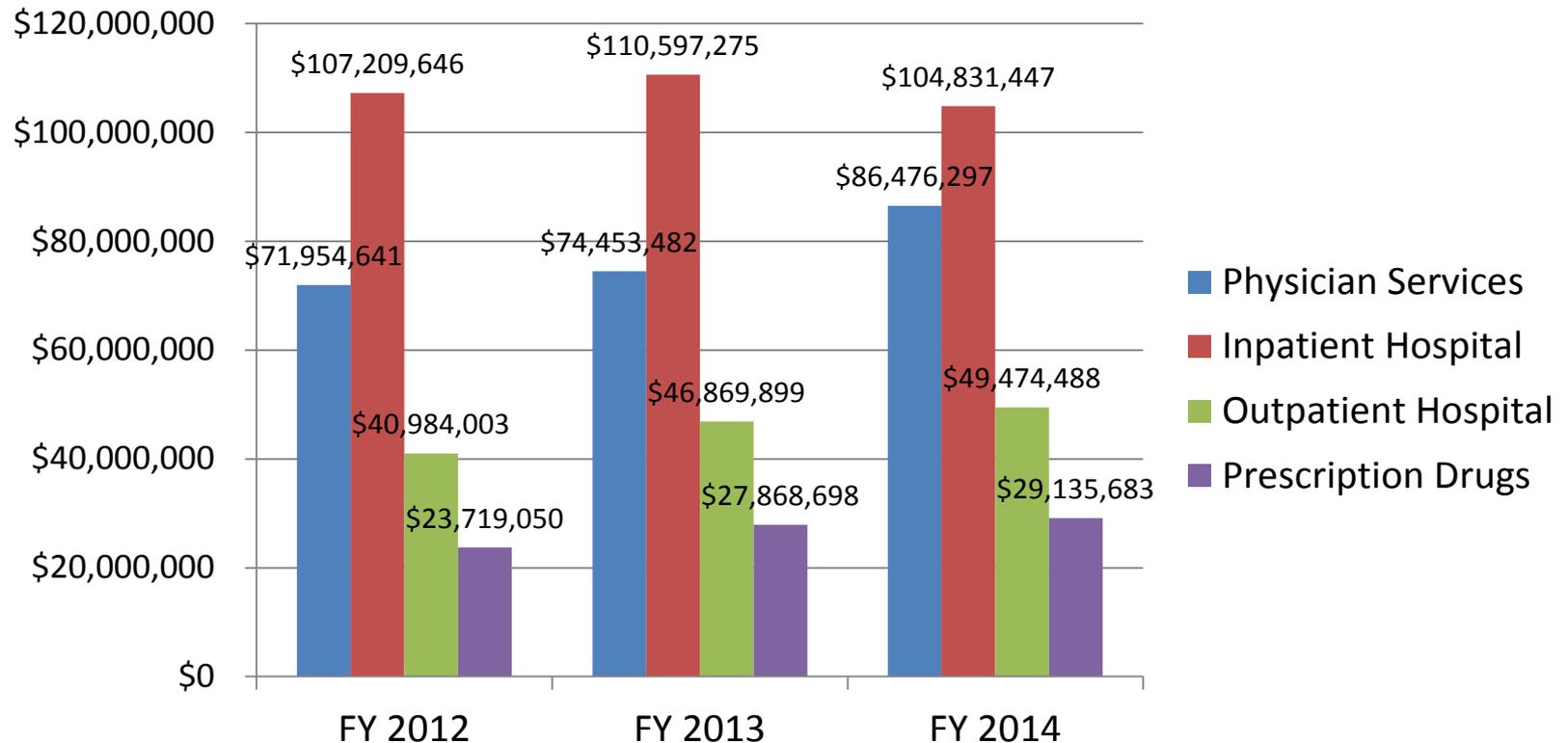


Division of Medical Services

Health Care Services:

- Certain health care services represent the largest share of our Medical Services budget. These are sometimes referred to as “The Big 4”.

Actual Expenditures



Division of Medical Services

Physician Services:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$38,128,830	\$43,259,534	\$0	\$81,388,364

- Health care services provided by a Medicaid enrolled Physician or Advanced Practice Clinician.
- Provided in settings such as clinics and hospitals.
- Recipient copay is \$3.00 per visit.

Division of Medical Services

Health Care Services – Physician Services - continued:

- **Primary Care Case Management Services:**
 - Designed to improve access, availability, and continuity of care by appropriately and effectively managing health care utilization.
 - Primary Care Provider (PCP) is responsible for managing recipient's health care by directing all Managed Care designated services.
 - Provides referrals for specific health care services.
 - Provides 24 hour, 7 day a week access to medical care.
 - Per member per month fee paid to PCP is \$ 3.00 per recipient.

Division of Medical Services

Health Care Service Delivery:

- **Health Homes (HH)- provide enhanced health care services to individuals with high-cost chronic conditions or serious mental illnesses to increase health outcomes and reduce costs related to uncoordinated care.**
 - Recommended by the Medicaid Solutions Workgroup.
 - Implemented July 2013.
 - Top 5% of Medicaid recipients represent 57% of all costs.
 - Health Home recipients are older and utilize more services than the average Medicaid recipient.
 - 83% of Health Home eligible individuals are included in the individuals who make up 5% of the highest cost, highest risk group.
 - Medicaid recipients with the following conditions are eligible for participation in a Health Home:
 - Chronic conditions and/or at risk conditions.
 - Serious Mental Illness or Emotional Disturbance.
 - Recipients placed into 1 of 4 tiers according to need.

Division of Medical Services

Health Care Service Delivery - continued:

- **Planning and Implementation**
 - Stakeholder workgroup established in 2012
 - Includes providers from large health care systems, Indian Health Services, Community Mental Health, Federally Qualified Health Centers
 - Workgroup developed program design and continues to assist in program implementation
- **Health homes must provide 6 core services.**
 - Comprehensive Care Management
 - Care Coordination
 - Health Promotion
 - Comprehensive Transitional Care
 - Patient and Family Support
 - Referrals to Community and Support Services
- **SFY 2014:**
 - Number of Health Homes – 111 serving 124 locations
 - Number of Designated Providers – 545
 - Number of recipients – approximately 6,000

Division of Medical Services

Health Care Service Delivery - continued:

- Health Home reimbursement for providing the Core Services is at per member, per month based on recipient tier.
 - Funding for the per member per month at enhanced 90/10 through June 30, 2015.
 - After enhanced funding expires, health home core services funded at regular FMAP rate.
 - FY16 Recommended Budget FMAP Adjustment:

General Funds	Federal Funds	Other Funds	Total
\$1,211,255	(\$1,211,255)	\$0	\$0

- Non Health Home services paid on current fee for service basis.
- Developed outcome measures in partnership with providers.
- Two sets of outcome measures:
 - Primary Care Providers
 - Community Mental Health Centers

Division of Medical Services

Health Care Service Delivery - continued:

- Primary Goals:
 - Improving health of Medicaid health home recipients.
 - Providing cost effective high quality care.
 - Transforming primary care delivery system.
- Baseline data relative to clinical outcome measures being collected from first year of the program.
- Data submission due late January for July – Dec 2014.
- Positive improvement relative to a number of health outcomes during the first year:
 - Hypertension
 - Increase in individuals adequately controlling blood pressure.
 - 6.9% - PCP
 - 6% - CMHC
 - Vascular Disease
 - Improvement in LDL-C levels.
 - 5.8% - PCP
 - 6.4% - CMHC

Division of Medical Services

Health Care Service Delivery - continued:

- Depression Screening
 - Increase in number of age appropriate screening and follow up.
 - 6.9% increase - age 12-17 and 6% ages 18+ PCP
 - 12.6% increase – age 12-17 and 13.7% ages 18+ - CMHC
- Care Transitions
 - Improved communication/notification from inpatient facility to home or other care professional upon discharge.
 - 10.5% increase – PCP
 - 20.8% increase - CMHC
- Medication Management
 - Improved documentation of all current medications.
 - .07% increase – PCP
 - 8.1% increase – CMHC

Division of Medical Services

Health Care Service Delivery - continued:

- Assessing Quality and Effectiveness:
 - Quality Assurance Reviews- medical records review process.
- Program Cost:
 - More detailed analysis relative to costs to be developed over the next several months.

Division of Medical Services

Health Care Service Delivery - continued:

Success Stories:

- Male, age 54 with diagnoses of Bipolar Disorder type I as well as opioid and benzodiazepine dependence in remission.
 - Going to the ER almost daily when he began working with his health home team. Targeted support by his care team resulted in appropriate utilization of ER.
 - Community mental health center team continuing to provide supports and education regarding community based programs which has been key in decreasing ER utilization
 - Volunteers at Avera Behavioral Health. As a volunteer, he works with the maintenance department.
- Male, age 55 utilizes a wheelchair -Diabetes Mellitus.
 - HgA1c 8.8 (normal range 4.5 – 6%). He was not eating regular meals and not testing blood sugar on a regular basis putting him at risk for insulin administration.
 - Worked with health coach to learn what carbs are, how to avoid fried foods, and work on meal planning.
 - Receives meals on wheels at noon, has a health aid provide in-home services to assist with blood sugars daily.
 - 7 months later his HgA1c is 7.5 and overall health has improved. He is able to stay on oral medication with better menu planning and regular portion controlled meals 3 times a day.

Division of Medical Services

Health Care Service Delivery - continued:

Success Stories:

- Female, age 22 with diagnoses of Borderline Personality Disorder and Major Depression, along with numerous physical health conditions.
 - Residing as an inpatient at Avera McKennan Hospital for most of two years following a serious car accident.
 - She was unable to walk on her own and had a history of re-opening wounds when she was close to discharge.
 - Through the support of her health home care team, she resides at a long-term care facility but is now walking independently. She has stopped re-opening her wounds and her remaining wound is almost entirely healed.
 - She is currently in the process of transferring to an assisted living facility.

Division of Medical Services

Inpatient Hospital:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$58,140,773	\$63,289,412	\$0	\$121,430,185

- Health care services furnished in a hospital under the direction of a physician that generally result in an overnight stay.
- Room and board as well as services received during hospitalization such as hospital-based physician services, nursing, diagnostic services and therapy.
- Recipient copay is \$50 per admission.

Division of Medical Services

Health Cares Services - Inpatient Hospital Services – con't:

- Budget also includes:
 - **Graduate Medical Education (GME)**
 - Payments to 3 qualifying hospitals to support graduate medical education for primary care physicians.
 - Payments based on number of Medicaid inpatient hospital days provided and number of primary care residents and interns.
 - FY14 GME payments: \$2,845,832.
 - \$732,579 - Rapid City Regional
 - \$1,398,832 – Sanford Health
 - \$714,421 – Avera McKennan
 - **Disproportionate Share Hospital Payments (DSH)**
 - Payments to qualifying hospitals that serve a disproportionate share of Medicaid and Medicare patients.
 - FY14: \$1,644,479 total payments to 24 hospitals.

Division of Medical Services

Outpatient Hospital:

	General	Federal	Other	Total
FTE	Funds	Funds	Funds	Funds
FY15 Budget	\$26,730,543	\$29,097,663	\$0	\$55,828,206

- Health care services provided in a hospital or clinic setting under the direction of a physician that do not result in an overnight stay.
- Includes laboratory, radiology, emergency room and outpatient surgical.
- Recipient copay is 5% or up to a maximum of \$50.

Division of Medical Services

Prescription Drugs:

	General	Federal	Other	Total	
FTE	Funds	Funds	Funds	Funds	
FY15 Budget	-	\$13,938,515	\$14,029,853	\$0	\$27,968,368

• Prescription Drugs

- Prescribed by a physician or other licensed Medicaid provider and dispensed by a licensed pharmacist.
- Recipient copay is \$1.00 per prescription for generic drugs and \$3.30 per prescription for brand name drugs.
- Pharmacy & Therapeutics Committee reviews utilization of all drugs and recommends clinical criteria for use of identified medications.
- High rate of generic drug utilization.
 - SFY 2011 = 76.5%.
 - SFY 2012 = 78.1%.
 - SFY 2013 = 81.8%.
 - SFY 2014 = 83.1%.
 - SFY 2015 (5 months) = 83.1%.
- Drug Utilization Review Committee retrospectively reviews medication utilization for inappropriate use, over use, under use and drug/disease interactions, poly-pharmacy.

Division of Medical Services

Other Medical Services:

	General	Federal	Other	Total	
FTE	Funds	Funds	Funds	Funds	
FY15 Budget	-	\$6,928,958	\$7,542,557	\$0	\$14,471,515

- **Durable Medical Equipment (DME)**
 - Provides equipment such as wheelchairs, prosthetics, and enteral and parenteral nutritional supplements and supplies.
 - Equipment and supplies intended for repeated use and appropriate for use in the home.
 - DME must be ordered by a physician with a certificate of medical necessity prior to Medicaid payment.
 - Institutional settings are not allowed to submit separate claims for DME.
- **Emergency Transportation**

Division of Medical Services

Other Medical Services - con't:

- **Home Health**
 - Skilled nursing care provided in the home by RN's/LPN's.
 - Nurse aids
- **Provider Reimbursement**
 - Fee-for-service.
 - Continual process to analyze reimbursement rates relative to cost and consistency relative to comparable services. When the appropriated budget does not support a rate adjustment, budget changes are identified and recommended.
 - FY16 Reimbursement Adjustment – impact:
 - Adjusting skilled nursing reimbursement rate to be consistent with comparable services provided in other DSS programs.
 - Nursing rate increase from \$34.68 to \$38.72 (hourly rate).
 - Impact: \$199,305 total funds: \$96,426 general and \$102,882 federal.

Division of Medical Services

Medicare Part A, B, D Premiums and Crossovers:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$43,572,799	\$29,261,358	\$0	\$72,834,157

- **Medicare Part A and Part B “Buy-In” program**

- State Medicaid agency required to pay Medicare Part A and B premiums for individuals that qualify for both Medicare and Medicaid – known as dual eligibles.
 - On average each month about 12,000 people are “dually eligible” and enrolled in both Medicaid and Medicare.
- Cost effective for the state as Medicare becomes primary insurance and Medicaid becomes secondary.

- **Medicare Part D “Clawback”**

- Began in 2006 when Medicare began providing prescription drug coverage for Medicare and Medicaid dual eligibles.
- State Medicaid agency required to make monthly payment to the federal government.

Division of Medical Services

Early and Periodic Screening, Diagnosis, Treatment (EPSDT) Services:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$12,890,776	\$13,288,525	\$0	\$26,179,301

- Early and periodic screening, diagnosis, and treatment or "EPSDT" includes services for children less than age 21 on Medicaid.
- Federal requirement to cover screening and diagnostic services, and cover health care services needed by children, regardless of whether or not services are covered under the state's Medicaid plan.
 - Evaluated on a case by case basis.
 - Recent CMS guidance relative to coverage of services for children with autism including intensive behavioral intervention services (IBIS).

Division of Medical Services

Children's Health Insurance Program (CHIP):

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$7,940,533	\$15,748,399	\$0	\$23,688,932

- South Dakota's program is a Medicaid "look alike" program for uninsured children ages 6-18, meaning that CHIP covers the same services as Medicaid.
 - Identical to those services available to Medicaid children.
- There are additional eligibility criteria relating to be uninsured, such as not dropping private health insurance without good cause for a period of three months prior to applying for CHIP.
- Implementation of the affordable care act January 1, 2014 standardized Medicaid eligibility nationally.
 - The Modified Adjusted Gross Income (MAGI) standards conversion resulted in income eligibility requirements for Medicaid Children up to 182% of FPL for uninsured children.
 - The Affordable Care Act includes a **temporary** 23% increase to the CHIP federal match rate beginning October 1, 2015 and ending September 30, 2019.
 - While CHIP is authorized through 2019, the ACA provided funding for CHIP through September 2015.
 - CHIP is a block grant and it is unclear if federal CHIP allotment will be increased commensurate with 23% match rate change.

- | General Funds | Federal Funds | Other Funds | Total | 23%): |
|---------------|---------------|-------------|-------|-------|
| (\$4,665,641) | \$4,665,641 | \$0 | \$0 | |

Division of Medical Services

Indian Health Services:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$0	\$84,577,751	\$0	\$84,577,751

- **Indian Health Services (IHS)**

- Is the federal agency responsible for providing health care to American Indians.
- American Indians who are an enrolled member of a tribe can receive health care service at IHS facilities.
- IHS facilities included in the Aberdeen Area Service Unit include hospitals, health centers and a Tribally-Operated Health Service Site.
- American Indians who are also Medicaid eligible can receive health care services at IHS facilities and/or non-IHS facilities.

Division of Medical Services

Indian Health Services - continued:

- **American Indian health services funding**
 - IHS facilities are funded with 100% federal dollars for services they provide to American Indians and that are billed to Medicaid.
 - Non-IHS facilities are funded at the Medicaid federal/state match FFP for the services they provide to Medicaid eligible American Indians.
 - SFY 2014
 - 40,933 American Indians were on Medicaid every month representing 35.5% of all individuals eligible for Medicaid.
 - In addition to IHS expenditures, \$173.5 million dollars were paid at Medicaid's normal match rate for health care services provided outside IHS entities for American Indians in SFY14.

Division of Medical Services

Health Information Technology (HIT):

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$0	\$31,700,000	\$0	\$31,700,000

- **Electronic Health Records**

- A federal program established under the (ARRA) American Recovery and Reinvestment Act of 2009 to promote the adoption and meaningful use of electronic health records by health care providers.
 - 2016 is the last year for health care providers to attest for EHR incentive payments.
 - Meaningful use and provider eligibility is defined federally.
- Incentive payments are 100% federal dollars.
 - SFY 2014 total \$15,142,843.
 - Eligible hospitals \$12,707,591.
 - Eligible professionals \$2,435,252.
 - YTD FY2012-FY2014 Total \$35,062,876.
 - Eligible hospitals \$27,897,368.
 - Eligible professionals \$7,165,508.
- Program ends in 2021.
- FY16 Recommended Budget:

General Funds	Federal Funds	Other Funds	Total
\$0	(\$21,000,000)	\$0	(\$21,000,000)

Division of Medical Services

Health Care Services – All Others:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	0.0	\$3,030,510	\$3,233,158	\$0	\$6,263,668

- **Adult Dental**

- Diagnostic, preventive and restorative treatment for teeth and the oral cavity performed under the supervision of a dentist.
 - Includes examinations, fillings, crowns, root canal therapy, and oral surgery.
- Delta Dental processes claims from non-IHS providers.
 - Prior authorizations for certain dental services.
- Adult \$1,000 limit for non-emergency dental services.
- Recipient copay is \$3.00 per procedure.

Division of Medical Services

Health Care Service – All Others - continued:

- **Adult Optometric**
- **Chiropractic Services**
- **Premium Assistance**
 - Assist Medicaid eligible individuals/families to pay for private health insurance so Medicaid is the payor of last resort.
 - Average monthly qualified participants of 90 individuals/families.
 - Cost effective program - SFY 2014 premium expenditures were \$400,479 with a state general fund Medicaid healthcare claims savings of over \$2.8 million.
- **Renal Disease**

Division of Medical Services

Medicaid Claims System:

- Original SD MEDX Project:
 - Began work in June 2008.
 - Total Project Cost: \$76 million – majority funded at 90/10
 - Vendor contract: \$62.7 million
 - \$50.0 million expended
 - Stopped work in October 2010 after state terminated vendor contract.
 - Provider Enrollment went live in March 2010.
 - Provider portal live.
- Litigation initiated by CNSI, State filed counter suit. Parties entered into formal mediation and reached settlement agreement in October 2012.
- Settlement agreement dismissed the litigation with prejudice.
 - DSS to pay \$3.2 million for out of scope items and release funds for third party software already purchased for the system
 - \$2.0 million of this total contingent on new contract

Division of Medical Services

Medicaid Claims System:

- Despite lengthy good faith negotiations that included CMS, CNSI, and a third party mediator, parties unable to reach an agreement the state or CMS could support based on timeline and cost.
- CMS approach to funding these types of projects changing. This created an opportunity to assess alternatives to complete the system.
- Vendor selected through competitive bid process to conduct an independent assessment and develop alternatives to complete the system.
- Public Knowledge LLC, a Washington based firm selected to conduct the assessment.
- Work began early January with assessment and recommendations to be finalized in late March 2015.
 - Assessment costs: \$138,720.
 - Funded at 90/10.

Division of Medical Services

Medicaid Claims:

- **South Dakota Medicaid pays for medically necessary, covered health care services.**
- **Meet or exceed federal timely payment requirements.**
- **Medical Services Division staff process and adjudicate Medicaid claims.**
 - SFY 2014 – Total claims processed = 5,186,813.
 - 83% are submitted electronically.

Division of Medical Services

Medicaid Program Integrity:

- **Third Party Liability**
 - Medicaid is the payer of last resort for health care services.
 - Office of Recoveries and Fraud Investigations track and recover payments from third party sources such as other insurances.
 - SFY 2014 - \$8.7 million were recovered from third party sources.
- **Internal and External Quality Assurance Review Processes**
 - **Internal**
 - Surveillance and Utilization Review Subsystem (SURS) Unit.
 - MMIS claims edits.
 - Prior authorization process.
 - Hospital inpatient tracking.
 - Provider enrollment procedures.
 - **External**
 - Medicaid Fraud Control Unit (MFCU).
 - South Dakota Foundation for Medical Care.

Division of Medical Services

Medicaid Program Integrity - continued:

- **Federal Audits**
 - **Payment Error Rate Measurement (PERM) Audit.**
 - Three year cycle – South Dakota consistently among lowest error rates in the country.
 - 2011 PERM results lowest error rate out of 17 states.
 - Claims processing = 1.2% error rate.
 - Eligibility determination = 0% error rate.
 - **Medicaid Integrity Contractors (MIC) Project**
 - Reviews provider claims and audits providers to identify overpayments and educates providers.
 - **National Correct Coding Initiative (NCCI)**
 - CMS initiative to reduce and control improper Medicaid claims coding and payments.
 - **Medicaid Recovery Audit Contractor (RAC) Program**
 - In-depth Federal audit of state Medicaid providers.
 - CMS has twice exempted South Dakota from this requirement due to our state's low PERM error rates.

Division of Medical Services

Affordable Care Act (ACA) Impact:

- **ACA has significantly impacted Medicaid programs**
- **Significant New Requirements**
 - **Provider Enrollment**
 - Must screen & validate providers requesting enrollment based on risk category.
 - Federal database checks.
 - Onsite visits for moderate & high risk.
 - Working to implement process for meeting monthly provider monitoring requirements.
 - Anticipate implementation of processes to enroll ordering, referring, and prescribing providers and requiring their data on claims.
 - Requires revalidation a minimum of once every five (5) years with initial compliance date of March 2016.

Division of Medical Services

ACA Impact - continued:

- **Primary Care Provider (PCP) Enhanced Rate**
 - Enhanced reimbursement at 100% federal funding to eligible PCPs between 1/1/2013 and 12/31/2014.
 - Limited to certain PCPs and certain procedures.
 - The enhanced payment is 100% federally funded.
 - Total of \$13,245,946 PCP payments between 1/1/2013 to 11/30/2014.
 - Enhanced funding ended 12/31/14.
- **HIPAA 5010 Operating rules**
 - Three step phased guidelines for exchange of HIPAA data will be complete in 2016.
 - Phase One complete.
 - 5010 data format was implemented January 1, 2013.
 - Phase Two anticipated completion date March 2015.
 - Phase Three anticipated completion date August 2015.
 - Guidelines list criteria for electronic exchange of information between health payers and providers.
- **ICD 10- Internal Classification of Diseases**
 - Used for diagnosis by providers and included on claims for payment.
 - Approximate Number of Codes increasing from 18,000 to 140,000.
 - Effective 10/1/2015.

Division of Medical Services

Budget Development – Overview:

- **Key factors that impact budget and expenditures.**
- **Budget calculations for services budgets.**
- **Development of projections for eligibles, utilization, and cost.**
- **Projected cost per eligible.**
- **FY15 Revised and FY16 Budget.**
 - Revision to current FY15 budget (GB amendment).
 - FY16 budget increases start from FY15 revised –
 - Actual FY16 budget request difference from FY15 appropriated.

Division of Medical Services

Key Budget Drivers:

- **Key factors that impact budget and expenditures:**
 - FMAP
 - Changes in the number of eligibles
 - Changes in utilization
 - Changes in cost

Division of Medical Services

Budget calculations for each service budget:

Avg. Projected Number of Eligibles X Avg. Projected Utilization X Avg. Projected Cost = (Recommended Budget).

- Average Title XIX Eligibles: Average monthly Title XIX adults and children.
- Average Utilization: Average monthly utilization per Title XIX eligible.
- Average Cost: Average monthly cost per Title XIX eligible.
- Adjustments: Negative or positive adjustments for specific items in certain budget areas.

	Avg. Title XIX Eligibles		Avg. Util		Avg Cost		# of Months	Adjustments	=	Calculated FY 16 Budget
Physician Services	0,000	x	0.00%	x	\$0.00	x	12	\$0	=	\$0

- Starting point of the FY16 budget is from FY15 Revised.
- Changes from the FY16 calculated budget compared to the FY15 Appropriated is the major items recommendation for changes in eligibles, utilization and cost.

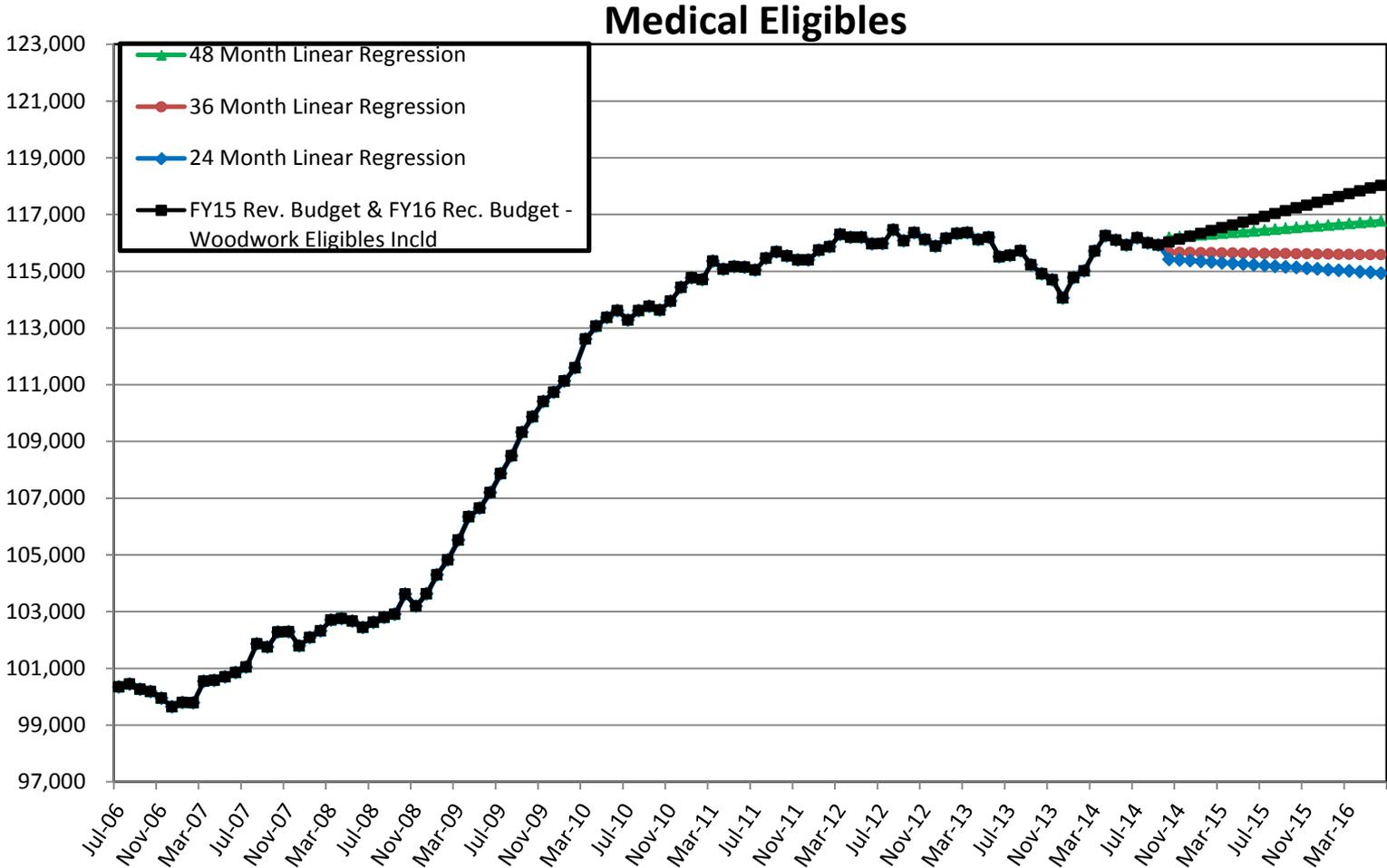
Division of Medical Services

Development of projections for Eligibles, Utilization, and Cost:

- **Regression models developed to analyze and forecast changes in eligibles, utilization, and cost.**
 - Linear regression analysis is a statistically sound method that examines the past behavior of a series of historical data to forecast future behavior.
 - Historical actual expenditures are also utilized and we apply judgment and adjust for known impacts.
 - Continuous process incorporating most recent expenditure and cost information.
 - Projections for following year built from revised projections for the current fiscal year.

Division of Medical Services

Budget Development – Eligibles:



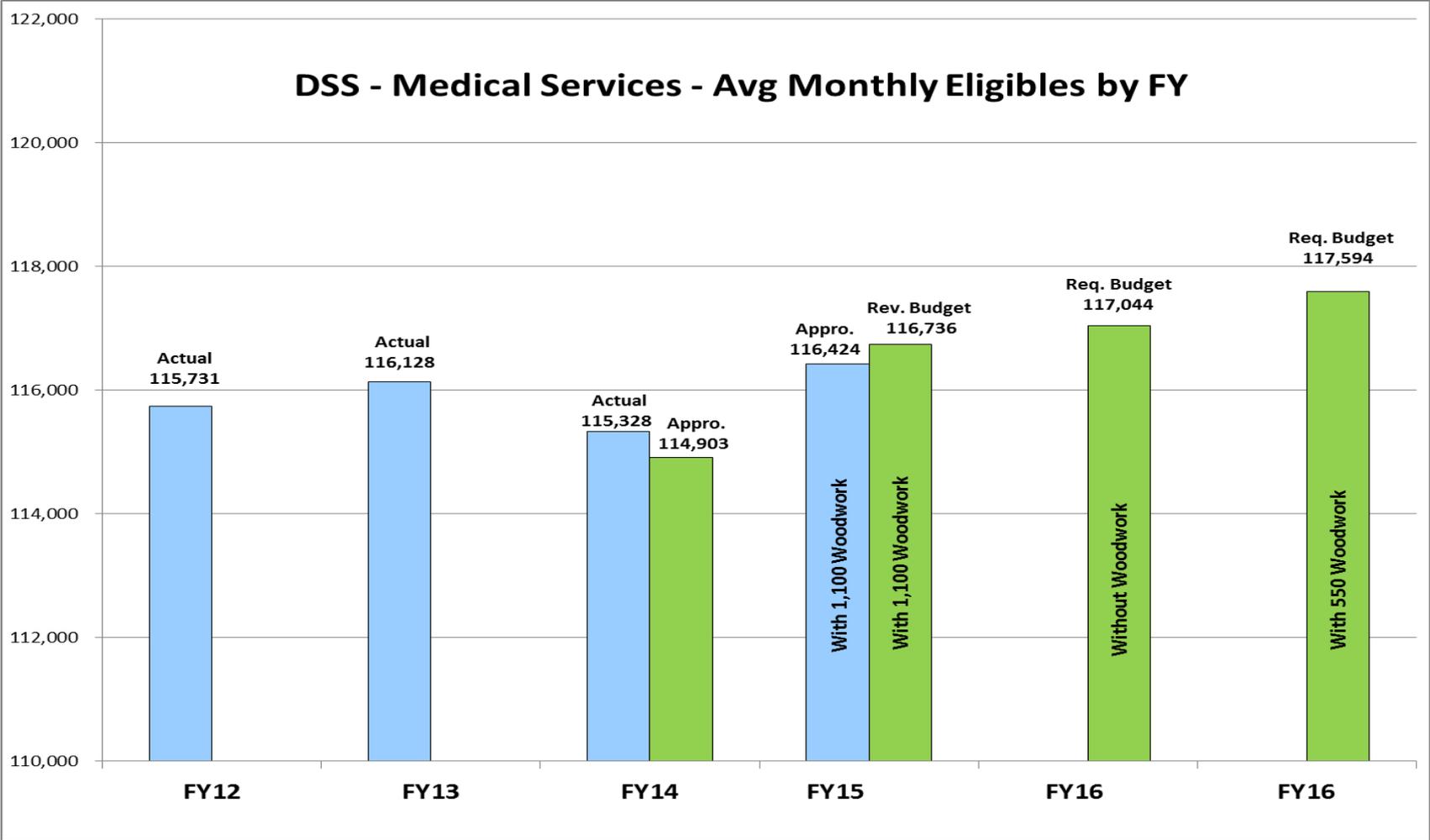
Division of Medical Services

Budget Development- Eligibles “ Woodwork Effect”:

- For FY15 and FY16 a known impact to the regression analysis is the “woodwork effect”.
- Nationally, states expect increased enrollment or a “woodwork effect” with increased awareness and outreach surrounding healthcare exchanges.
- These individuals are eligible for the current program but have not enrolled.
- FY14 – 537 individuals became eligible for Medicaid after applying for Medicaid coverage through the FFM during the first open enrollment period (January 1, 2014- March 30, 2014) and referred to Medicaid.
- FY15 appropriated budget includes projected 1,100 eligibles.
 - FY15 revised - no change in woodwork estimate.
 - Assumes take up rate of 20% of the 5,500 estimated from Market Decisions Report.
- FY16 budget includes projected 550 eligibles.
 - Assumes take up rate of 10% of the 5,500 estimated from Market Decisions Report.

Division of Medical Services

Budget Development - Eligibles:



+312 from
FY15
Appropriated

+308 from
FY15 Revised

+550 = 1,170 from
FY15
Woodwork Appropriated

Division of Medical Services

Budget Development - Eligibles:

without
550
woodwork
↓

with
550
woodwork
↓

Average Monthly Medicaid Eligibles

	Actual FY06	Actual FY07	Actual FY08	Actual FY09	Actual FY10	Actual FY11	Actual FY12	Actual FY13	Actual FY14	Revised Budget FY15	Budget Rec. FY16	Budget Rec. FY16
Title XIX Eligibles	89,178	89,163	90,839	92,702	98,817	101,608	102,724	102,800	102,809	103,855	104,163	104,713
Title XXI Eligibles	11,096	11,230	11,471	11,818	12,188	12,797	13,007	13,328	12,519	12,881	12,881	12,881
Total Eligibles	100,274	100,393	102,310	104,520	111,005	114,405	115,731	116,128	115,328	116,736	117,044	117,594

Change in eligibles by year

	Actual FY06	Actual FY07	Actual FY08	Actual FY09	Actual FY10	Actual FY11	Actual FY12	Actual FY13	Actual FY14	Revised Budget FY15	Rec. Budget FY16	Rec. Budget FY16
Title XIX Eligibles	1,785	(15)	1,676	1,863	6,115	2,791	1,116	76	9	1,046	308	858
Title XXI Eligibles	679	134	241	347	370	609	210	321	(809)	362	-	-
Total Eligibles Change	2,464	119	1,917	2,210	6,485	3,400	1,326	397	(800)	1,408	308	858

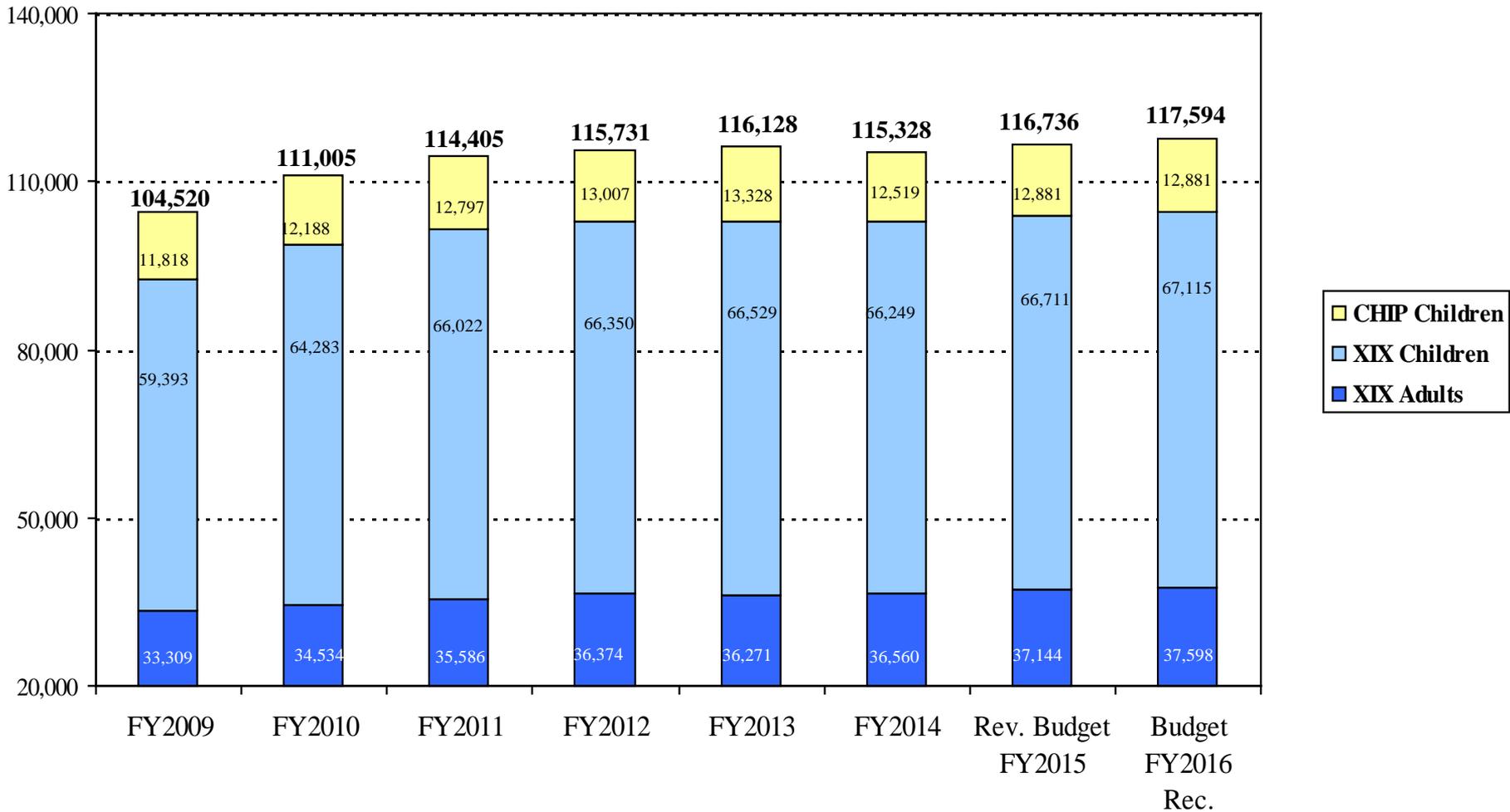
% Change in eligibles by year

	Actual FY06	Actual FY07	Actual FY08	Actual FY09	Actual FY10	Actual FY11	Actual FY12	Actual FY13	Actual FY14	Revised Budget FY15	Rec. Budget FY16	Rec. Budget FY16
Title XIX Eligibles	2.0%	0.0%	1.9%	2.1%	6.6%	2.8%	1.1%	0.1%	0.0%	1.0%	0.3%	0.83%
Title XXI Eligibles	6.5%	1.2%	2.2%	3.1%	3.1%	5.0%	1.6%	2.5%	-6.1%	2.9%	0.0%	0.00%
	2.5%	0.1%	1.9%	2.2%	6.20%	3.06%	1.16%	0.34%	-0.69%	1.22%	0.26%	0.73%

	4 Year Avg	3 Year Avg	2 Year Avg
Average Eligible Change:	1,081	308	(202)

Division of Medical Services

Medicaid Ave. Monthly Eligible Totals



Division of Medical Services

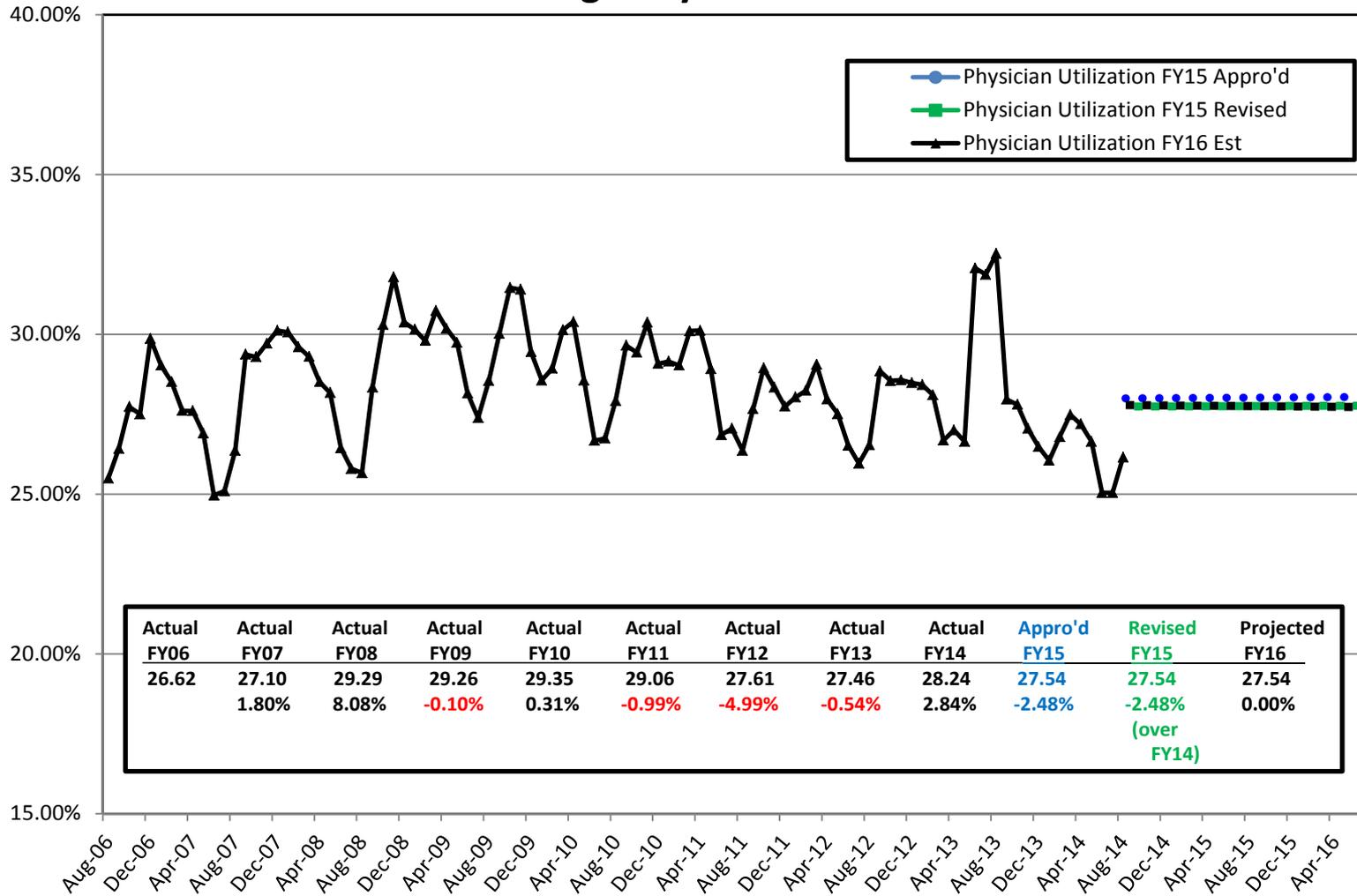
Average Utilization Rate:

- As with any health plan, not everyone eligible uses each service every month.
- We measure utilization rates because it has a cost and budget implication.
- Utilization is the average percentage of eligible recipients utilizing the service.
 - Utilization rates vary by service.

Division of Medical Services

Budget Development – Utilization rate:

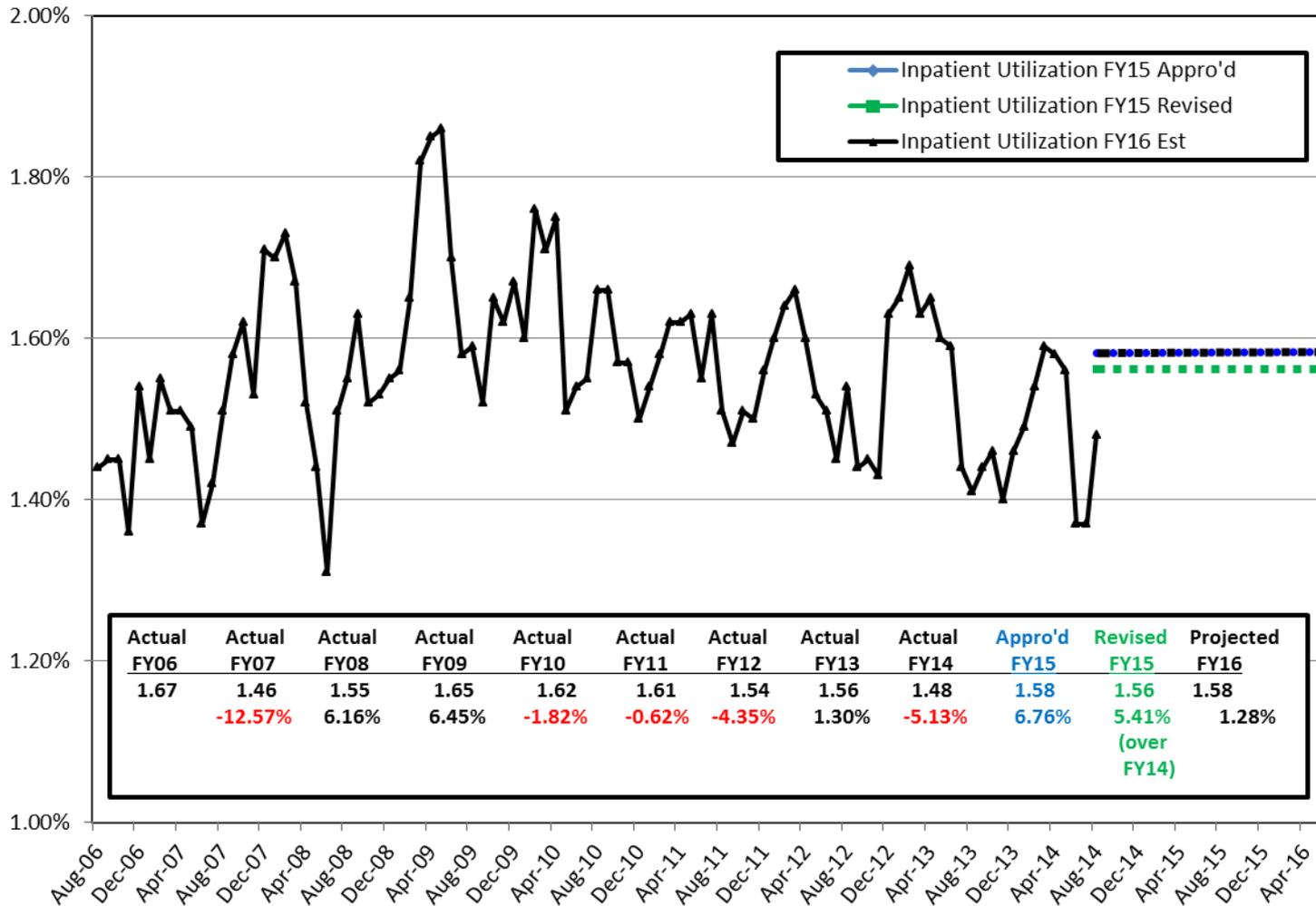
Average Physician Utilization



Division of Medical Services

Budget Development – Utilization rate:

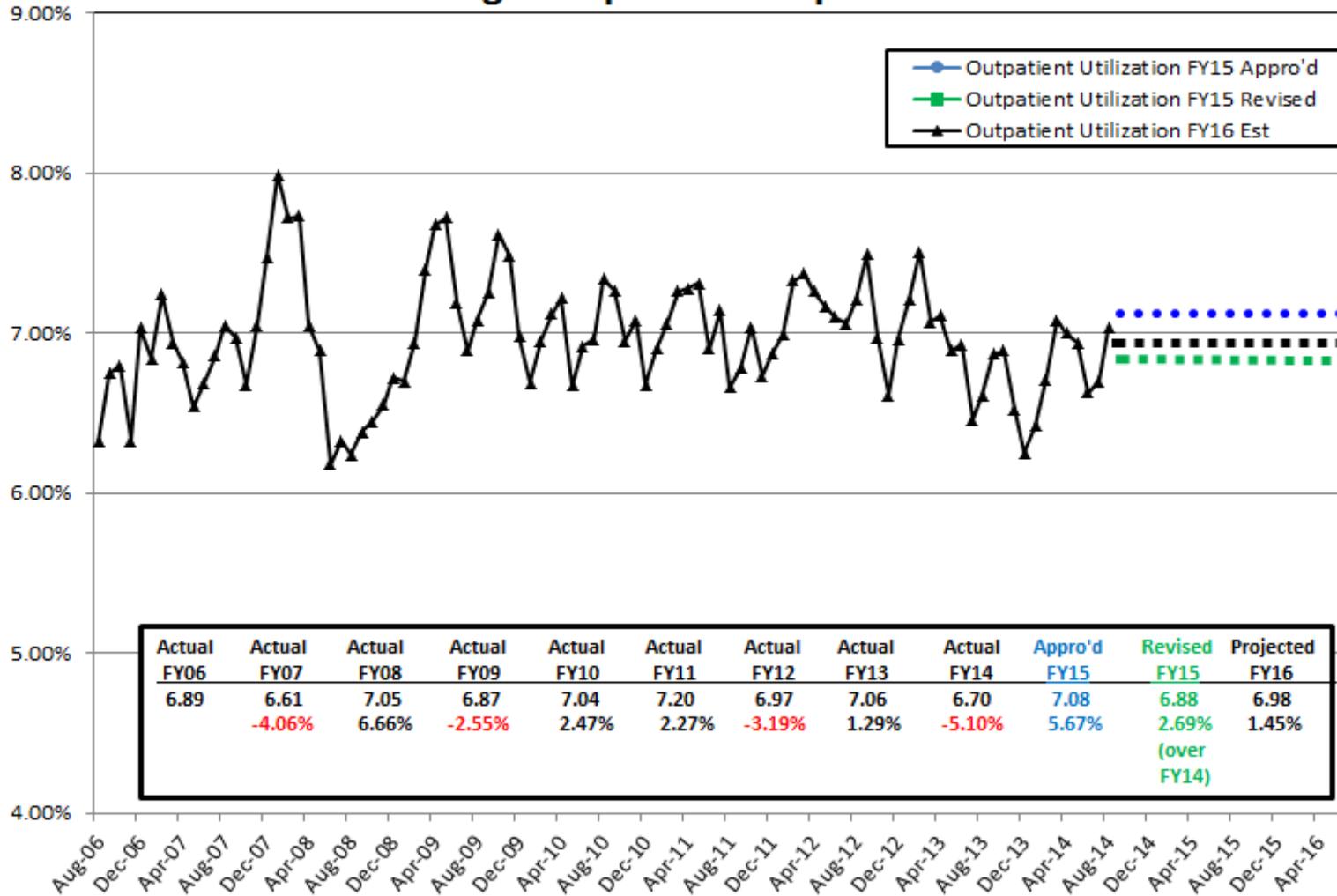
Average Inpatient Hospital Utilization



Division of Medical Services

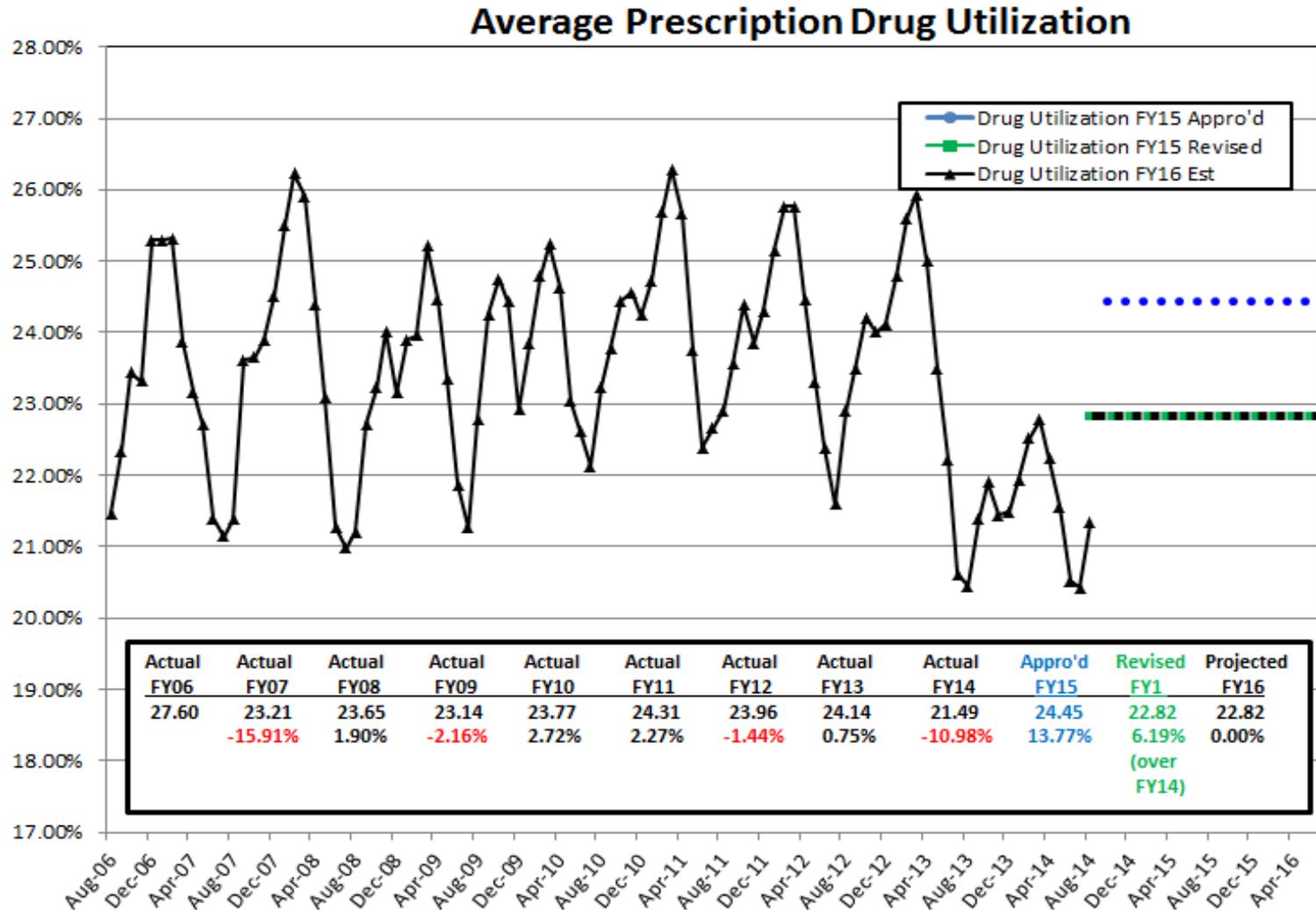
Budget Development – Utilization rate:

Average Outpatient Hospital Utilization



Division of Medical Services

Budget Development – Utilization rate:



Division of Medical Services

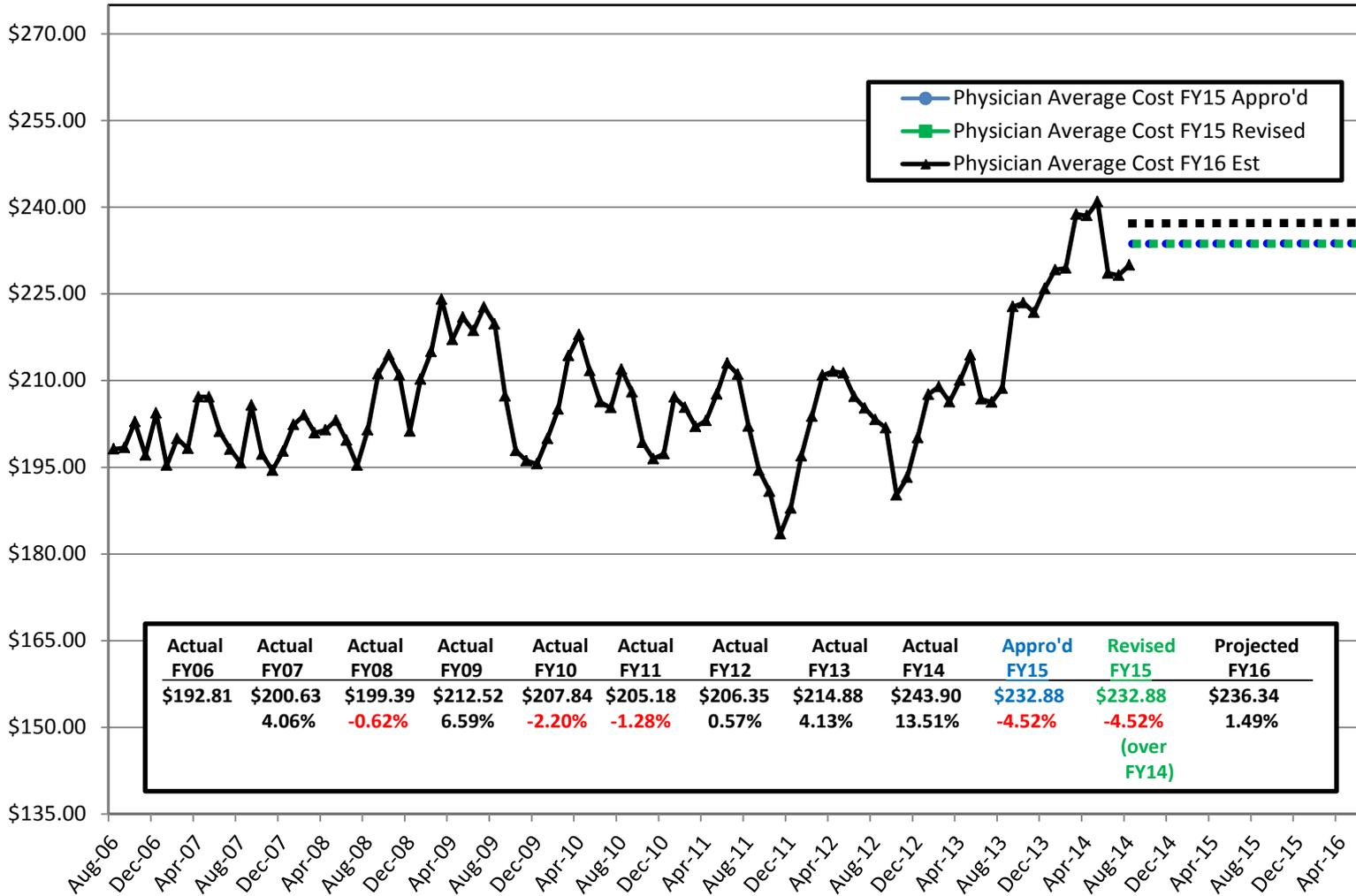
Average Cost:

- Similar to utilization, we measure the cost of individual services.
 - The average cost varies by service.

Division of Medical Services

Budget Development – Cost:

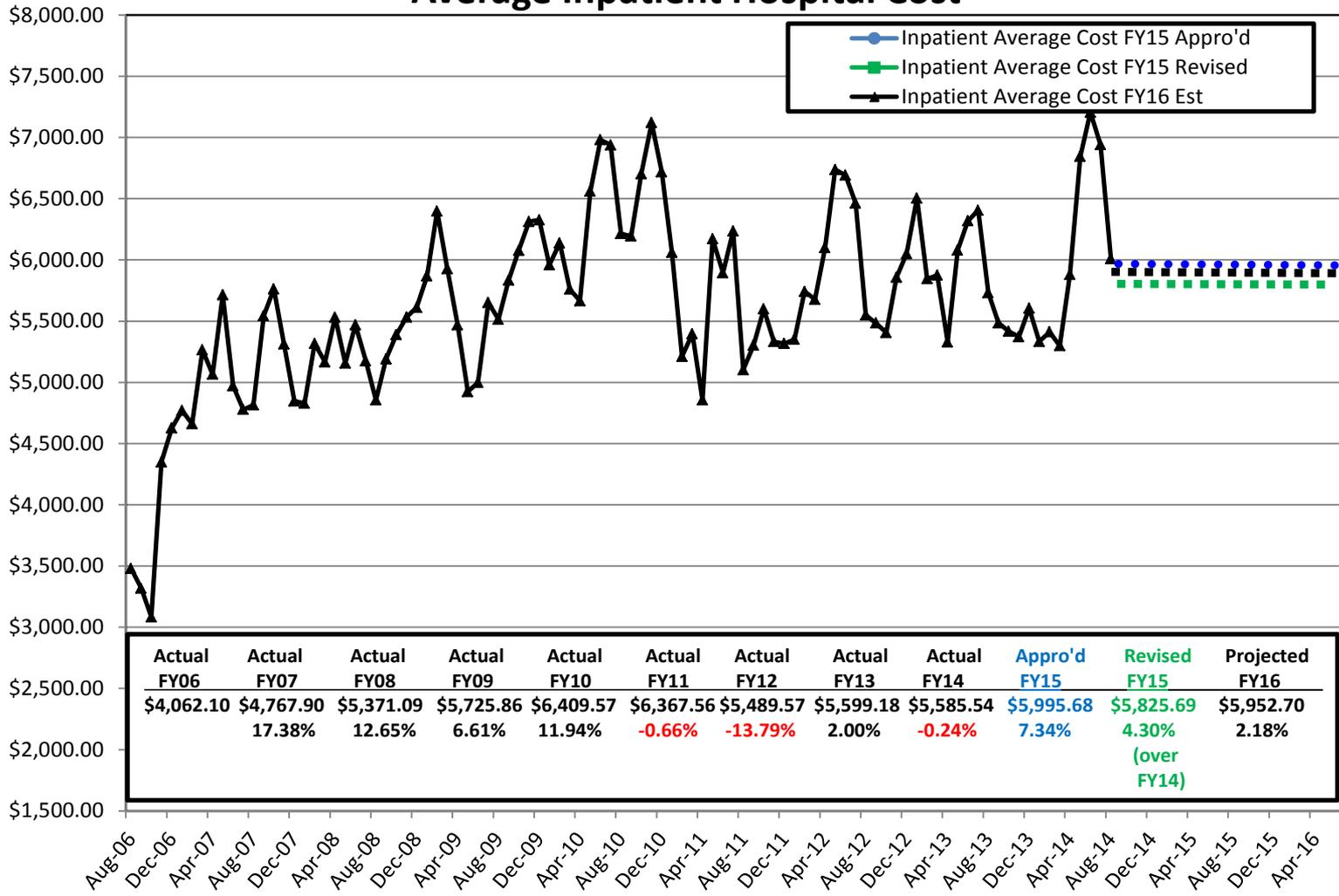
Average Physician Cost



Division of Medical Services

Budget Development – Cost:

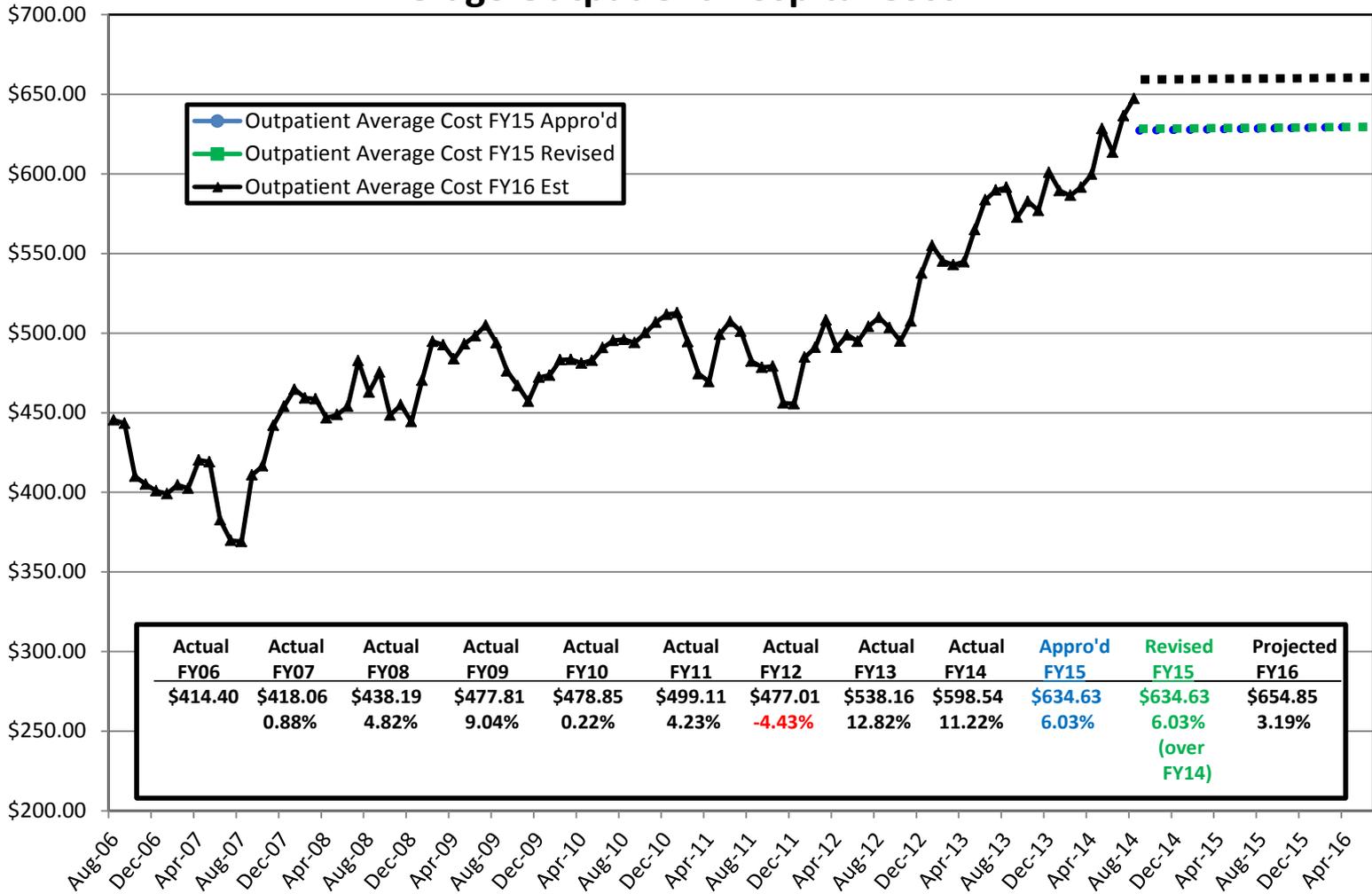
Average Inpatient Hospital Cost



Division of Medical Services

Budget Development – Cost:

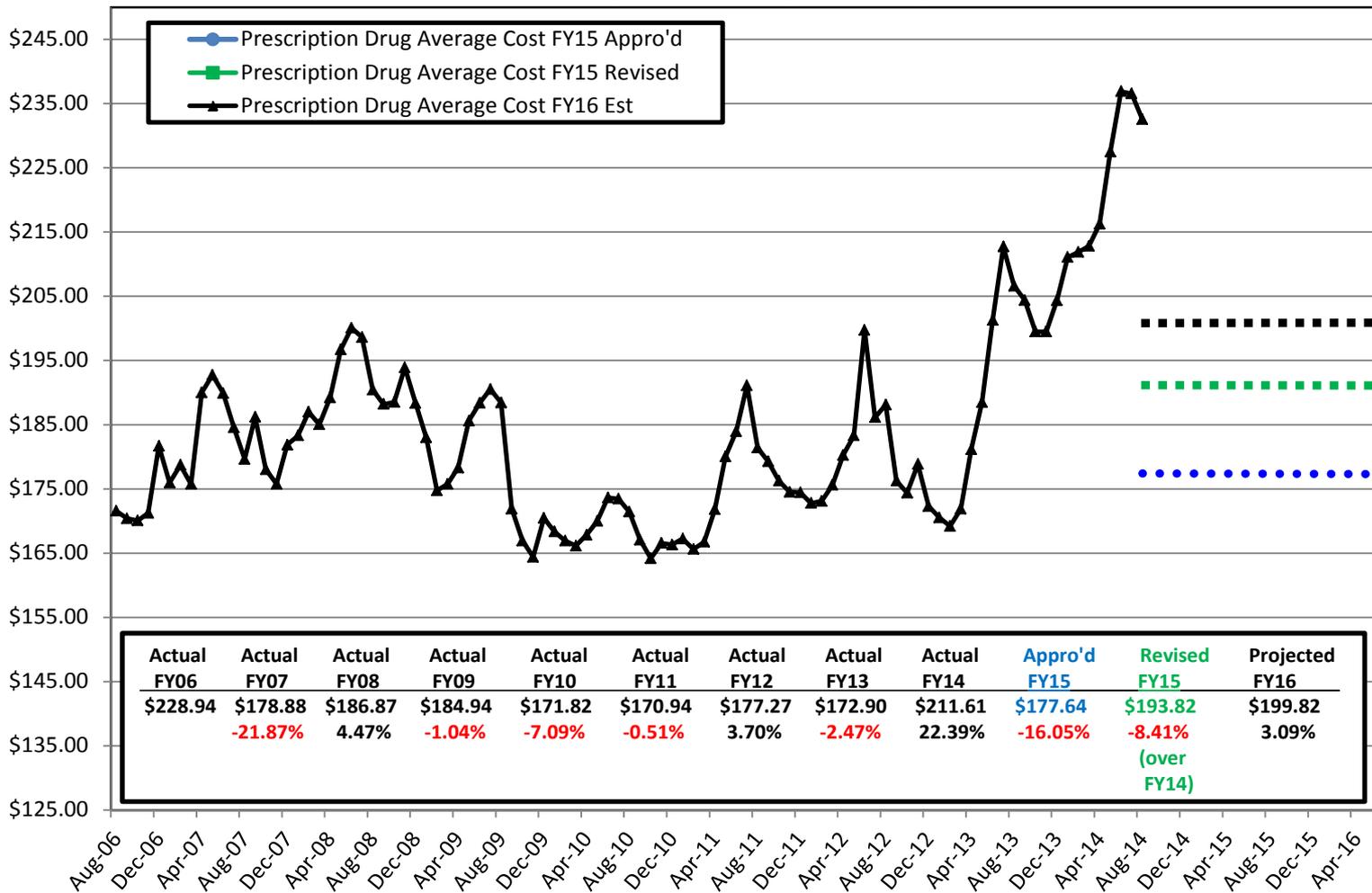
Average Outpatient Hospital Cost



Division of Medical Services

Budget Development – Cost:

Prescription Drug Average Cost



Division of Medical Services

Budget Calculation:

	<u>Avg. Title XIX Eligibles</u>	<u>Avg. Util</u>	<u>Avg Cost</u>	<u># of Months</u>	<u>Adjustments</u>	<u>Calculated FY 16 Budget</u>	<u>Avg per elig.</u>
Physician Services	104,713	x 27.54% x	\$237.52 x	12	\$1,700,000 =	\$83,895,302 1)	\$801
Inpatient Hosp.	104,713	x 1.58% x	\$5,989.13 x	12	\$2,845,832 =	\$121,751,576 2)	\$1,171
Outpatient Hosp.	104,713	x 6.98% x	\$658.67 x	12	\$0 =	\$57,770,138	\$552
Prescription Drugs	104,713	x 22.82% x	\$200.94 x	12	-\$26,000,000 =	\$31,619,301 3)	\$302
						<u>\$295,036,317</u>	

Adjustments:

- 1) This includes \$1,700,000 for the PRIME managed care fees
- 2) This includes GME payments of \$2,845,832, and \$908,678 for Disproportionate Share Payments (DSH - MS)
- 3) This includes a reduction that reflects refunds from the drug rebate program

Note: CHIP is budgeted separately, however CHIP would also have costs that would be associated for example with Physician Services etc.

Division of Medical Services

Budget Development- Annual Avg. Title XIX Cost Per Eligible:

Medical Services:

SFY16 Performance Indicators

FY16 Annual Average Cost Per Title XIX Eligible:

		%
Physician Services	\$801	16.6%
Inpatient Hosp. & Dispro	\$1,171	24.3%
Outpatient Hosp	\$552	11.4%
Prescription Drugs	\$302	6.3%
All Others (Medicare Premiums, Dental, Chiropractic, etc.)	\$1,999	41.4%
Total	\$4,825	100.0%

*Does not include Title XXI (CHIP), MS Admin., & Non-Direct Services

Division of Medical Services

Budget Development- Annual Avg. Title XIX Cost Per Eligible:

Medical Services:

Performance Indicators

Annual Average Cost Per Title XIX Eligible:	Rev.		
	FY15	FY15	FY16
Physician Services	\$786	\$786	\$801
Inpatient Hosp. & Dispro	\$1,173	\$1,127	\$1,171
Outpatient Hosp	\$539	\$524	\$552
Prescription Drugs	\$270	\$280	\$302
All Others (Medicare Premiums, Dental, Chiropractic, etc.)	\$1,966	\$1,972	\$1,999
Total	\$4,734	\$4,689	\$4,825

*Does not include Title XXI (CHIP), MS Admin., & Non-Direct Services

Division of Medical Services

Budget Development – Medical Services Budget:

	\$4,825.42	Title XIX avg. - budget FY16
X	104,713	Title XIX eligibles - budget FY16
	<hr/>	
	\$505,284,204	Title XIX eligibles - budget FY16
	\$1,875.84	Title XXI (CHIP) avg. - budget FY16
X	12,881	Title XXI (CHIP) eligibles - budget FY16
	<hr/>	
	\$24,162,711	Medical Services CHIP - budget FY16
	\$53,361,600	Medical Services Admin. and Non-Direct Services
	\$582,808,670	Total FY16 Medical Services Budget

Division of Medical Services

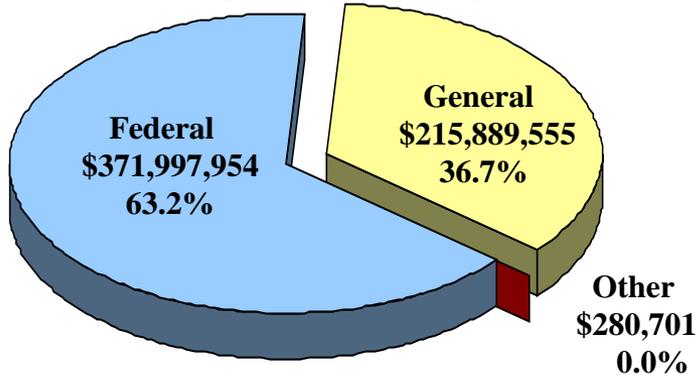
Budget Development – FY15 Revision & FY16 Recommended:

	FTE	General	Federal	Other	Total	Eligibles
Total FY 2015 Appropriated Budget	52.00	\$215,889,555	\$371,997,954	\$280,701	\$588,168,210	
FY15 Revised elig.,util, & cost		(\$2,647,655)	(\$601,422)	\$0	(\$3,249,077)	General Bill SFY15 312
FY16 Change in elig., util, & cost		\$4,661,373	\$4,786,917	\$0	\$9,448,290	858
FY16 Change elig., util, & cost		\$2,013,718	\$4,185,495	\$0	\$6,199,213	1,170
FY16 FMAP		\$1,990,744	(\$1,990,744)	\$0	\$0	
FY16 CHIP rate - Temp. additional 23% change		(\$4,665,641)	\$4,665,641	\$0	\$0	
FY16 Health Home FMAP rate change		\$1,211,255	(\$1,211,255)	\$0	\$0	
FY16 Inflation		\$4,834,416	\$4,606,831	\$0	\$9,441,247	
HIT Health Information & Technology		\$0	(\$21,000,000)	\$0	(\$21,000,000)	
		\$3,370,774	(\$14,929,527)	\$0	(\$11,558,753)	
FY16 Rec. Increase/(Decrease)	-	\$5,384,492	(\$10,744,032)	\$0	(\$5,359,540)	
Total Recommended FY 2016 Budget	52.00	\$221,274,047	\$361,253,922	\$280,701	\$582,808,670	

Division of Medical Services

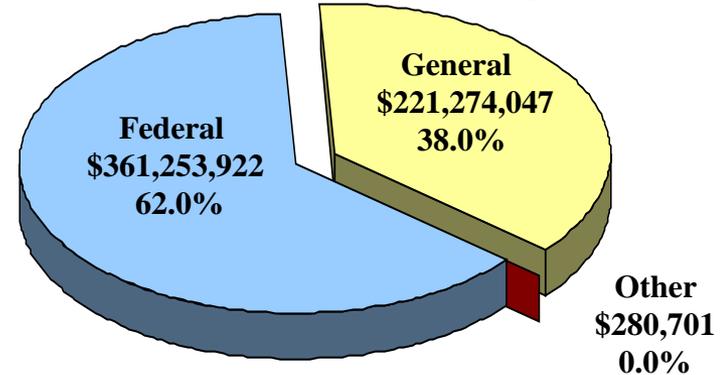
FY15 Budget Compared to FY16

FY15 Operating Budget



Total: \$588,168,210 and 52.0 FTE

FY16 Recommended Budget



Total: \$582,808,670 and 52.0 FTE

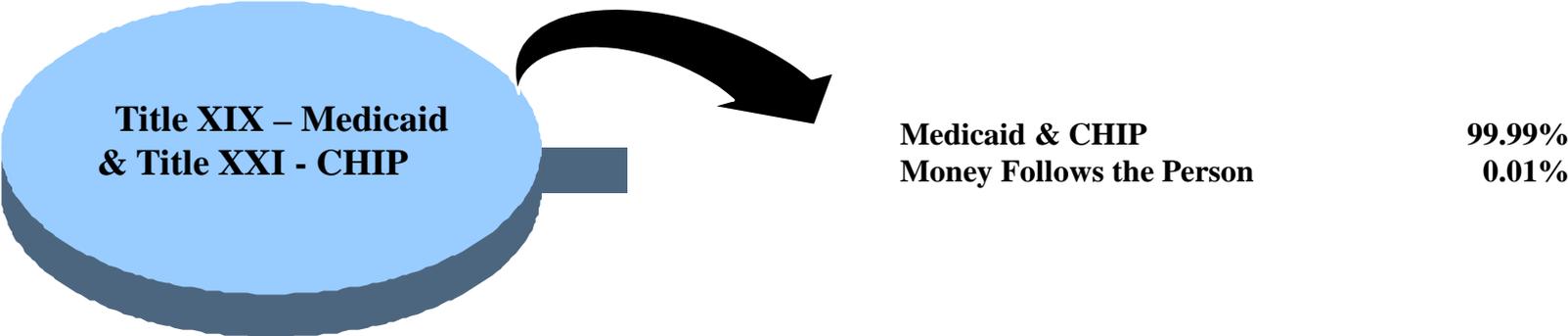
MAJOR BUDGET INCREASES AND DECREASES

	GENERAL	FEDERAL	OTHER	TOTAL
FMAP - Federal Medical Assistance Percentage:	\$1,990,744	(\$1,990,744)	\$0	\$0
CHIP Enhanced Rate: Temporary additional match rate change of 23%.	(\$4,665,641)	\$4,665,641	\$0	\$0
Health Homes FMAP Adjustment: From 10/90 to a blended FMAP rate.	\$1,211,255	(\$1,211,255)	\$0	\$0
Mandatory Inflation:				
Federally Qualified Health Centers, Rural Health Clinics, Crossovers.	\$1,331,765	\$727,416	\$0	\$2,059,181
Discretionary Inflation:	\$3,502,651	\$3,879,415	\$0	\$7,382,066
Change in Title XIX (Medicaid) Clients: From an appropriated monthly average caseload for FY15 of 103,543 to 104,713 for FY16 (inc. of 1,170). (Change in eligibles, utilization and cost)	\$2,013,718	\$4,185,495	\$0	\$6,199,213
Health Information and Technology (HIT):	\$0	(\$21,000,000)	\$0	(\$21,000,000)
Totals:	\$5,384,492	(\$10,744,032)	\$0	(\$5,359,540)

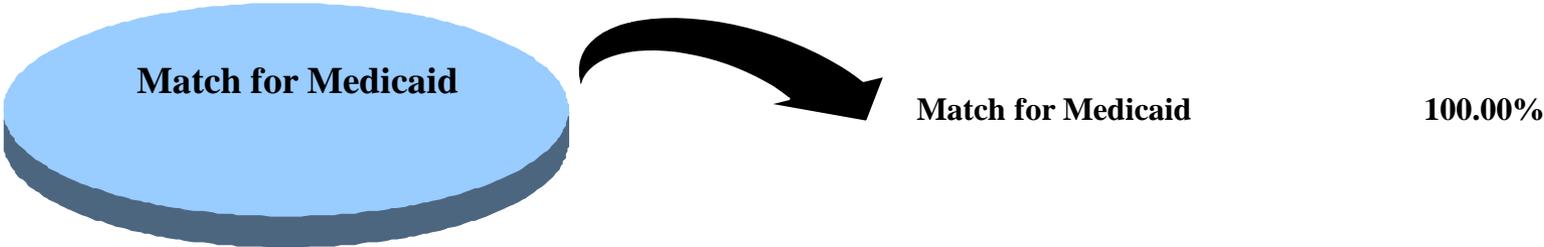
Division of Medical Services

FY16 Funding Sources

Federal Fund Sources – Total \$361,253,922



Other Fund Sources – Total \$280,701



Department of Social Services



Division of Adult Services & Aging (ASA)

Division of Adult Services and Aging

Who we serve:

- **Persons age 60 and older**
- **Adults with disabilities**
- **Victims of crime**

Services Provided:

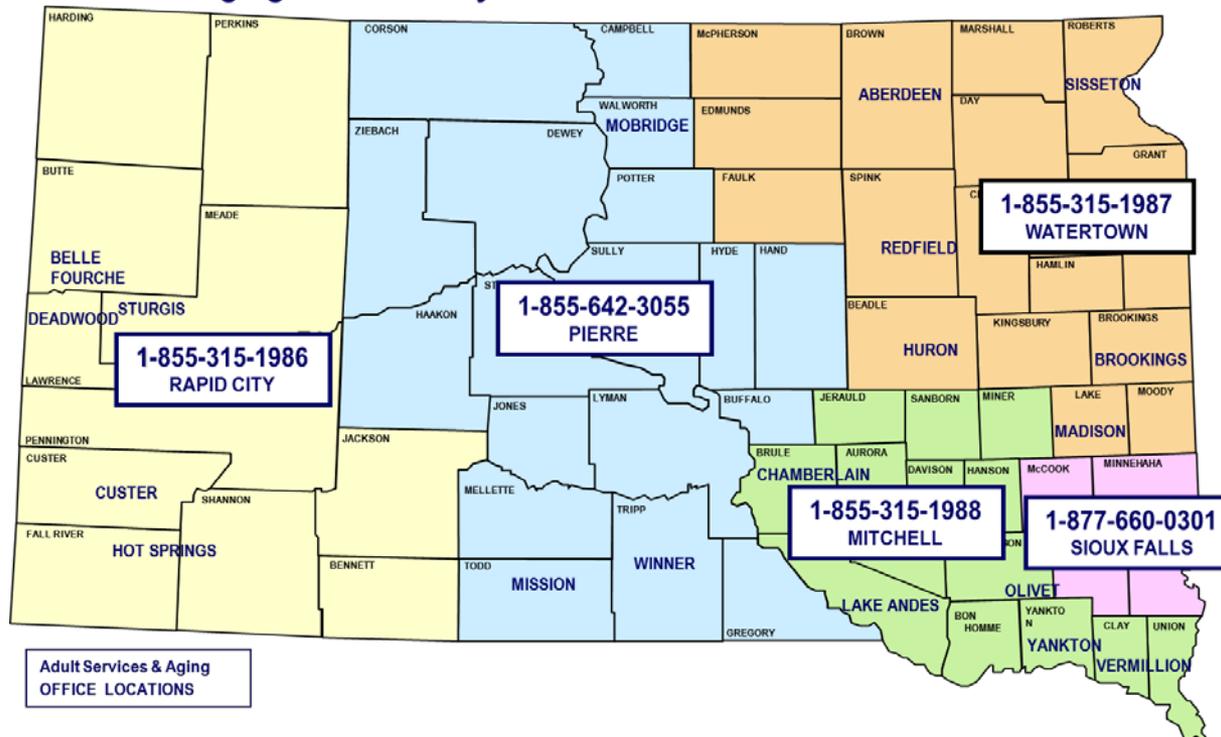
- **Community Based Services**
 - In-home services - homemaker, nursing, personal care, assistive devices, medical equipment/supplies, tele-health, emergency response.
 - Caregiver support and respite care.
 - Community services - senior meals, adult day services, and transportation.
- **Long-Term Care**
 - Nursing homes
 - Assisted living
 - Hospice
 - Adult foster care
- **Victims' Services**

Division of Adult Services and Aging

Service Delivery:

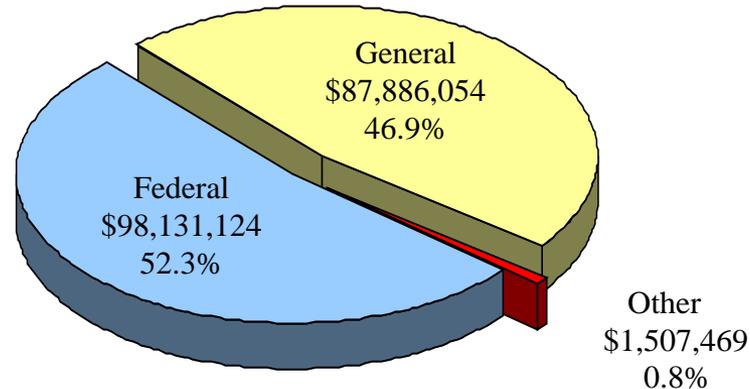
- Contracts with service providers.
- **ASA Specialists located in 24 communities provide statewide coverage.**
 - Aging and Disability Resource Connections (ADRC).
 - One-stop shop for access to information and referral.
 - 5 regions.

Aging and Disability Resource Connections Call Centers



Division of Adult Services & Aging

FY15 Operating Budget:



Total: \$187,524,647 and 99.0 FTE

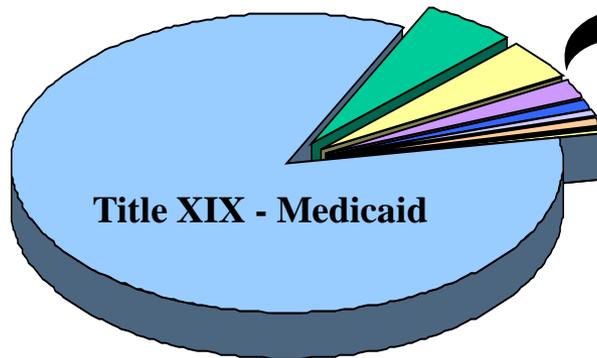
FY15 Major Budget Areas:

	FTE	General	Federal	Other	Total
ASA Administration and Field Staff	94.0	\$2,662,301	\$5,003,366	\$24,506	\$7,690,173
Community Based Services	0.0	\$9,963,738	\$9,877,672	\$762,434	\$20,603,844
In-Home Services	0.0	\$7,525,664	\$4,994,364	\$734,042	\$13,254,070
Community Support Services	0.0	\$1,959,368	\$4,078,046	\$0	\$6,037,414
Respite & Caregiver Services	0.0	\$478,706	\$805,262	\$28,392	\$1,312,360
Long Term Care	0.0	\$74,844,632	\$79,620,114	\$0	\$154,464,746
Victims' Services	5.0	\$415,383	\$3,629,972	\$720,529	\$4,765,884
Total ASA	99.0	\$87,886,054	\$98,131,124	\$1,507,469	\$187,524,647
Personal Services	99.0	\$2,276,602	\$3,945,024	\$163,655	\$6,385,281
Operating Expense	0.0	\$85,609,452	\$94,186,100	\$1,343,814	\$181,139,366
Total ASA	99.0	\$87,886,054	\$98,131,124	\$1,507,469	\$187,524,647

Division of Adult Services & Aging

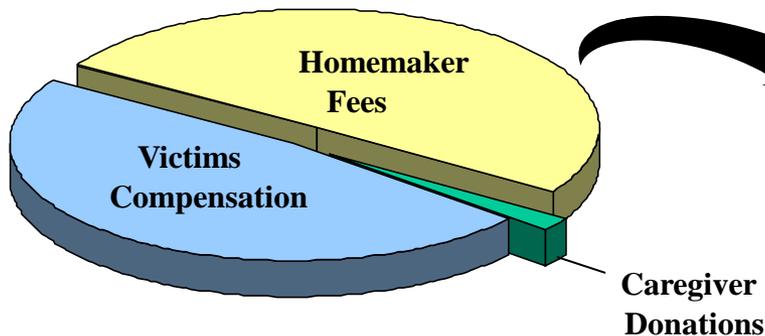
FY15 Funding Sources

Federal Fund Sources – Total \$98,131,124



Medicaid	84.78%
Title III Older Americans Act	5.55%
Social Services Block Grant	4.49%
Crime Victims	1.81%
Stop Violence	1.06%
Food & Nutrition	1.02%
Family Violence	0.75%
Health Information – SHINE	0.22%
Title VII Ombudsman/Elder Abuse	0.11%
Aging & Disability Grant	0.11%
Access & Visitation Grant	0.10%

Other Fund Sources – Total \$1,507,469



Homemaker Fees	50.20%
Victims Compensation	47.90%
Caregiver Donations	1.90%

Division of Adult Services & Aging

ASA Administration and Field Staff:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	94.0	\$2,662,301	\$5,003,366	\$24,506	\$7,690,173

- Includes personal services and operating expenses for 94.0 FTE located across the state.
- Adult protective services, legal services, ombudsman, Senior Health Insurance and Information Education (SHIINE).

Division of Adult Services & Aging

Community Based Services:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$9,963,738	\$9,877,672	\$762,434	\$20,603,844

- **Goal is to enable older South Dakotans and adults with disabilities to live independently in their homes and communities as long as possible.**

Who we serve:

- **Individuals 60 or older and adults with disabilities.**

Eligibility:

- **ASA staff conduct assessment to determine need for services.**
- **Level of care determined by ASA nurses.**
 - Deficit in at least two activities of daily living.
 - Care plan developed.
- **Financial eligibility requirements vary by service.**

Division of Adult Services & Aging

Community Based Services- In-Home Services:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$7,525,664	\$4,994,364	\$734,042	\$13,254,070

- **Purpose is to maintain, strengthen and improve the living conditions of individuals and delay or prevent the need for care in an institution.**
- **Makes it possible for older persons to live in their own homes or to return to their homes by providing assistance in completing tasks they are unable to manage alone.**
- **Funding sources include Medicaid, block grant, etc.**
- **Homemaker Services.**
 - Housekeeping, and laundry.
 - Grocery shopping and meal preparation.
 - Collect fees on a sliding fee scale used to support program.

Division of Adult Services & Aging

Community Based Services- In-Home Services - continued:

- **Nursing Services**
 - Periodic evaluation, assessment, counseling and/or screening.
 - Medication assistance.
 - Injections, blood draws, and wound care.
- **Personal Care**
 - Bathing, dressing, and personal hygiene.
 - Eating.
 - Toileting.
- **Assistive Devices**
 - Bathroom and household accessories for safety purposes.
 - Personal items that improve mobility/dexterity (wheelchairs, scooters, lift chairs).
 - Repairs to assistive devices.

Division of Adult Services & Aging

Community Based Services - In-Home Services continued:

- **Specialized Medical Equipment and Supplies:**
 - Rental of specialized medical equipment to assist with prescription medications for individuals.
 - Hospital bed or wheelchair.
 - Medical equipment needed to assist an individual to live safely and independently in their own home or place of residence.
 - Incontinence supplies – disposable briefs, urostomy/colostomy/ostomy supplies, skin disinfectant, incontinence products.
 - Diabetic supplies – test strips, lancets, alcohol wipes, syringes.
 - Wound care supplies – bandages, skin disinfectant, syringes, gloves.

Division of Adult Services & Aging

Community Based Services - In-Home Services continued:

- **Tele-health Services**
 - Home based health monitoring system to remotely monitor heart rate, blood pressure, oxygen saturation, etc.
 - Data transmitted to the provider agency office where staff will review the information and respond as needed to the individual, family member, physician, and/or the Adult Services and Aging Specialist as appropriate.
- **Emergency Response Systems**
 - Provide a 24 hour safeguard for elderly individuals and individuals with physical disabilities who are at a significant risk for falls.
 - Pendants provide remote access to call previously programmed numbers in case of an emergency.

SFY14 Numbers Served:

- 5,984 unduplicated.

Service Delivery:

- Contracts with 43 home health providers across the state.

Division of Adult Services & Aging

Community Based Services- Community Support Services:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$1,959,368	\$4,078,046	\$0	\$6,037,414

- **Senior Meals**

- Hot, nutritious meals every weekday which meet one-third of an older person's dietary needs
- Congregate or home-delivered meals
- Participant donations, provider matching funds, and additional community resources support the program

SFY14 Numbers Served:

- 1,207,783 meals served/ 4,870 consumers served per day

Service Delivery:

- Contracts with 16 senior meals providers

Division of Adult Services & Aging

- **Transportation**

- Provided in buses or vans.
- Services to medical providers, shopping, banking senior meals, adult day, etc.

SFY14 Numbers Served:

- 312,138 transportation trips.

Service Delivery:

- Contracts with 6 transportation providers.

- **Adult Day Services**

- Enable caregivers to continue caring for them at home by offering the opportunity for respite during the day.
- Provide structured activities, care and supervision outside of the home for part of a day.

SFY14 Numbers Served:

- 200 consumers served.

Service Delivery:

- Contracts with 6 community agencies.

Division of Adult Services & Aging

Community Based Services- Caregiver and Respite Services:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY 15 Budget	-	\$478,706	\$805,262	\$28,392	\$1,312,360

- **Caregiver and Respite Support Services**
 - Provide family and informal caregivers temporary relief and support.
 - Caregiver must be an informal, unpaid provider of care to a person who meets eligibility requirements.
 - care for individuals who are age 60 or older and frail; or
 - care for individuals of any age who have a diagnosis of Alzheimer's disease.
 - be a grandparent, step-grandparent, or relative caregiver (non-parents) over age 55 caring for children under age 18 or with severe disabilities.
 - Caregiver Donations used to offset the cost of care.

Division of Adult Services & Aging

Long Term Care:

	General	Federal	Other	Total	
FTE	Funds	Funds	Funds	Funds	
FY15 Budget	-	\$74,844,632	\$79,620,114	\$0	\$154,464,746

- **Residential services with a combination of supportive services and assistance.**
 - Assisted Living
 - Nursing Home
 - Hospice
 - Adult Foster Care
- **Primary funding source is Medicaid. Medicaid provides funding for:**
 - 56% of all nursing home residents.
 - 25% of all assisted living residents.

Eligibility:

- **ASA staff conduct assessment to determine need for services.**
- **Level of care determined by five ASA nurses.**
- **Financial eligibility determined by Economic Assistance Benefits Specialists.**

Division of Adult Services & Aging

Long Term Care - Assisted Living:

- **Home and Community Based services waiver.**
- **Assistance with daily living activities including:**
 - Eating, bathing, dressing and personal hygiene.
 - Meals.
 - Supervision of self-administration of medications.
 - Laundry and housekeeping assistance.
 - 24 hour staffing.

FY14 Numbers Served:

- 713 Assisted Living Consumers – Monthly Average.

Service Delivery:

- 173 Licensed Assisted Living Centers regulated by the Department of Health.

Division of Adult Services & Aging

Long Term Care – Skilled Nursing Facility and Hospice Care:

- **Wide range of personal care and health services to people who cannot be cared for at home or in the community due to physical, emotional, or mental health issues.**
 - Skilled nursing or medical care and hospice
 - Rehabilitation needed due to injury, disability or illness
 - Services for specialized populations
 - Challenging behaviors
 - Ventilator dependent
 - Traumatic Brain Injury
 - Wound care

Service Delivery:

- 110 Licensed Skilled Nursing Facilities regulated by the Department of Health.

Division of Adult Services & Aging

Long Term Care – Skilled Nursing Facility and Hospice Care:

• **Provider Reimbursement**

- Daily reimbursement rates are established for each facility based on facility reported costs.
 - FY15 average facility rate: \$129.15
 - Direct and Non-Direct cost component to the daily rate.
 - Direct care portion of the rate adjusted for resident acuity or case mix.
- FY15 Reimbursement Adjustment
 - All providers received 3.3% inflationary increase.
 - Utilization change created opportunity to adjust reimbursement rates to make movement toward recognition of more recent facility costs (2012).
 - Providers received additional adjustment of 4%.
 - 9 Critical Access nursing homes received an average 6.2%.
 - Base budget available to support the adjustments within the framework of the approved Medicaid State Plan.
 - Impact: \$5.3 million total funds

Division of Adult Services & Aging

Long Term Care – Skilled Nursing Facility and Hospice Care:

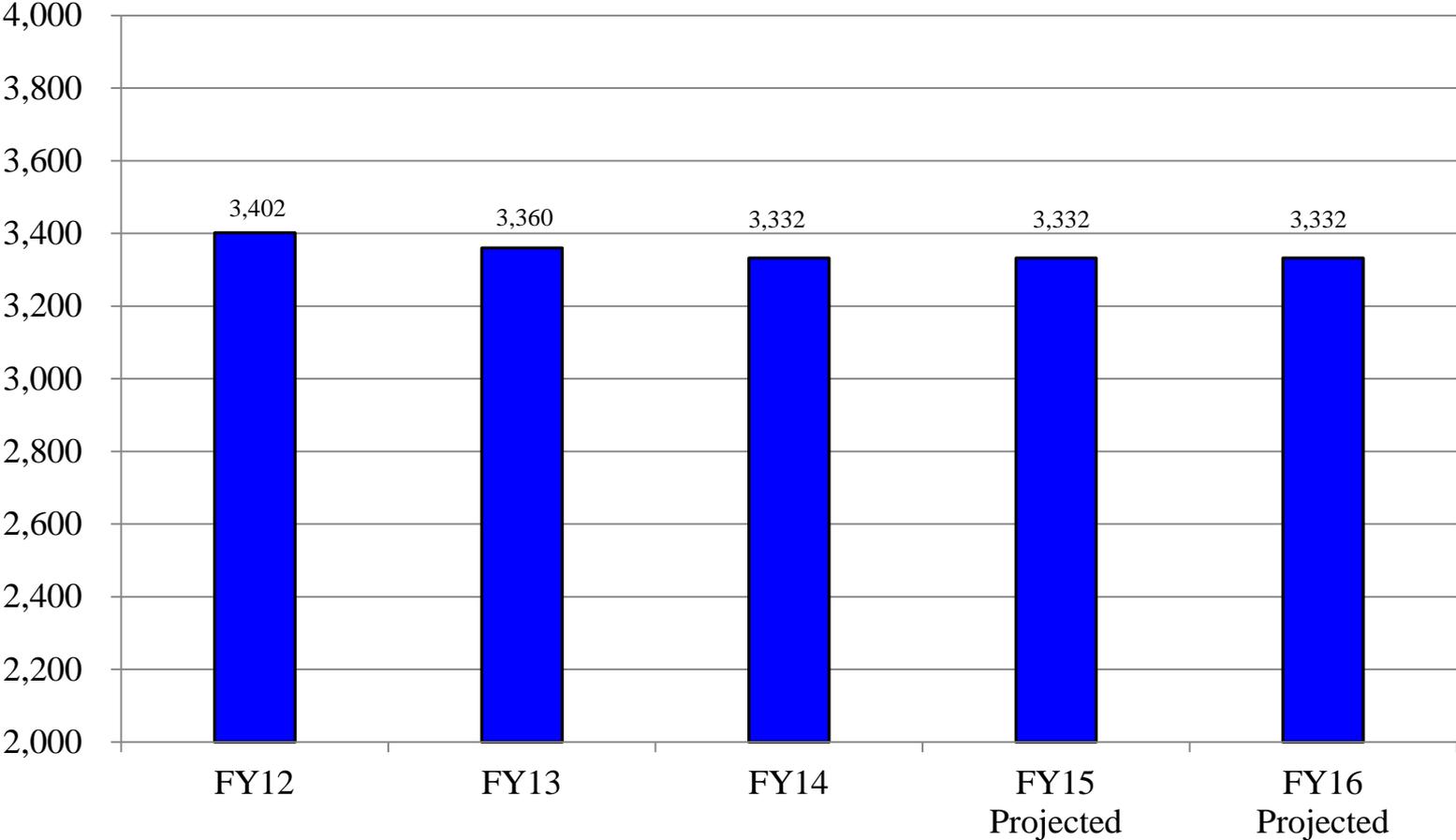
FY14 Numbers Served:

- 3,332 consumers – monthly average for skilled nursing facilities.
- FY16 Recommended Budget reduction due to declining utilization and changes in client cost share:

General Funds	Federal Funds	Other Funds	Total
(\$880,605)	(\$939,579)	\$0	(\$1,820,184)

Division of Adult Services & Aging

Nursing Facilities Monthly Average



Division of Adult Services & Aging

Victims' Services:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	5.0	\$415,383	\$3,629,972	\$720,529	\$4,765,884

- **Administer a variety of federal grants that fund local providers of Victims' Services as well as the Crime Victims compensation program that provides benefits to individuals who are victims of violent crimes and their families.**
 - Shelter services for adults and children.
 - Individual and group counseling and referral.
- **Federal funding sources include the Victims of Crime Act, STOP Violence Against Women Act, Family Violence Prevention Services Act, Sexual Assault Services Program and Access and Visitation grants.**
- **Crime Victims' Compensation Program provides monetary assistance to victims of violent crimes.**
 - Administered by DSS and can pay victims of state, tribal, or federal crimes, a maximum of \$15,000 for expenses incurred as a direct result of personal injury or death.

Division of Adult Services & Aging

Victims' Services continued:

FY14 Numbers Served:

- 13,298 Unduplicated Victims Served.
- 198 Victim Compensation Claims Approved.

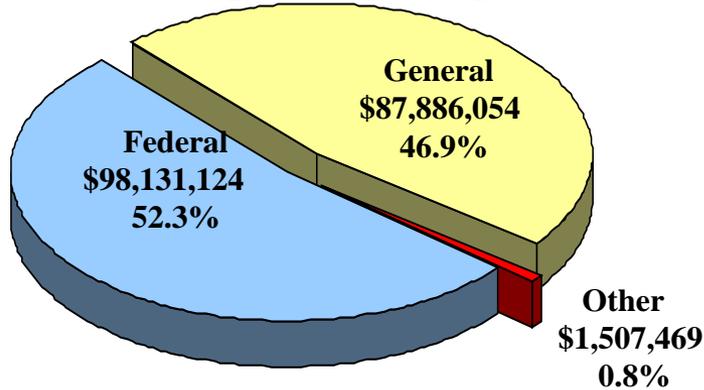
Service Delivery:

- Contracts with counseling agencies, victims services, child assessment centers, and county victims assistant programs.

Division of Adult Services & Aging

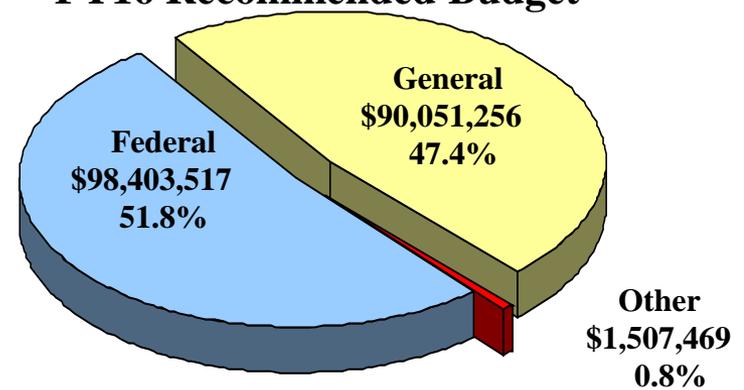
FY15 Budget Compared to FY16

FY15 Operating Budget



Total: \$187,524,647 and 99.0 FTE

FY16 Recommended Budget



Total: \$189,962,242 and 99.0 FTE

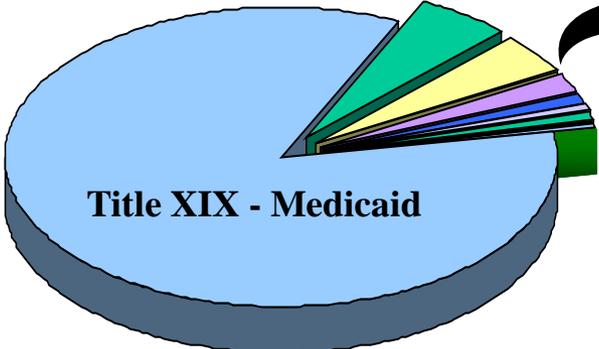
MAJOR BUDGET INCREASES AND DECREASES

	GENERAL	FEDERAL	OTHER	TOTAL
FMAP - Federal Medical Assistance Percentage:	\$785,413	(\$785,413)	\$0	\$0
Mandatory Inflation: Mandatory inflation for assisted living.	\$47,757	\$0	\$0	\$47,757
Inflation: Inflation for nursing facilities, in-home services, and elderly nutrition.	\$2,212,637	\$1,997,385	\$0	\$4,210,022
Nursing Home: Reduction due to decreases in utilization.	(\$880,605)	(\$939,579)	\$0	(\$1,820,184)
Totals:	\$2,165,202	\$272,393	\$0	\$2,437,595

Division of Adult Services & Aging

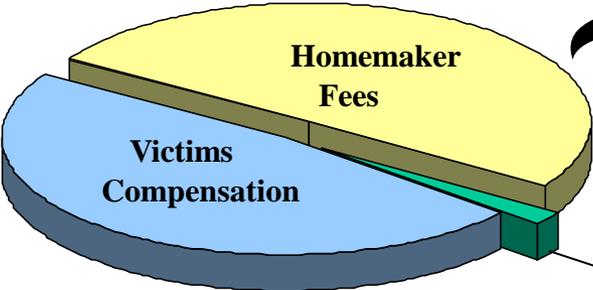
FY16 Funding Sources

Federal Fund Sources – Total \$98,403,517



Medicaid	84.84%
Title III Older Americans Act	5.54%
Social Services Block Grant	4.47%
Crime Victim's	1.80%
Stop Violence	1.06%
Food & Nutrition	1.01%
Family Violence	0.75%
Health Information – SHIINE	0.22%
Title VII Ombudsman/Elder Abuse	0.11%
Aging & Disability Grant	0.10%
Access & Visitation Grant	0.10%

Other Fund Sources – Total \$1,507,469



Homemaker Fees	50.20%
Victims Compensation	47.90%
Caregiver Donations	1.90%

Department of Social Services



Children's Services

- Division of Child Support Services
- Division of Child Protection Services
- Division of Child Care Services

Department of Social Services



Division of Child Support (DCS)

Division of Child Support

Provide Services For:

- **Over 60,800 families who need help to collect child support.**

Services Provided:

- **Locate non-custodial parents.**
 - 10% of DCS cases.
- **Establish paternity for children born outside of marriage.**
 - Paternity was established for 417 children in SFY 2014.
- **Establish and enforce child support orders.**
 - 1,243 child support orders were established in SFY 2014.
- **Enforce health insurance coverage included in child support orders.**
 - 9,330 cases for SFY 2014.
- **Process modification of support order requests.**
 - 2,631 petitions for modifications in SFY 2014.
- **Collect and distribute child support payments.**
 - DCS processed \$114.4 million in SFY 2014.

Division of Child Support

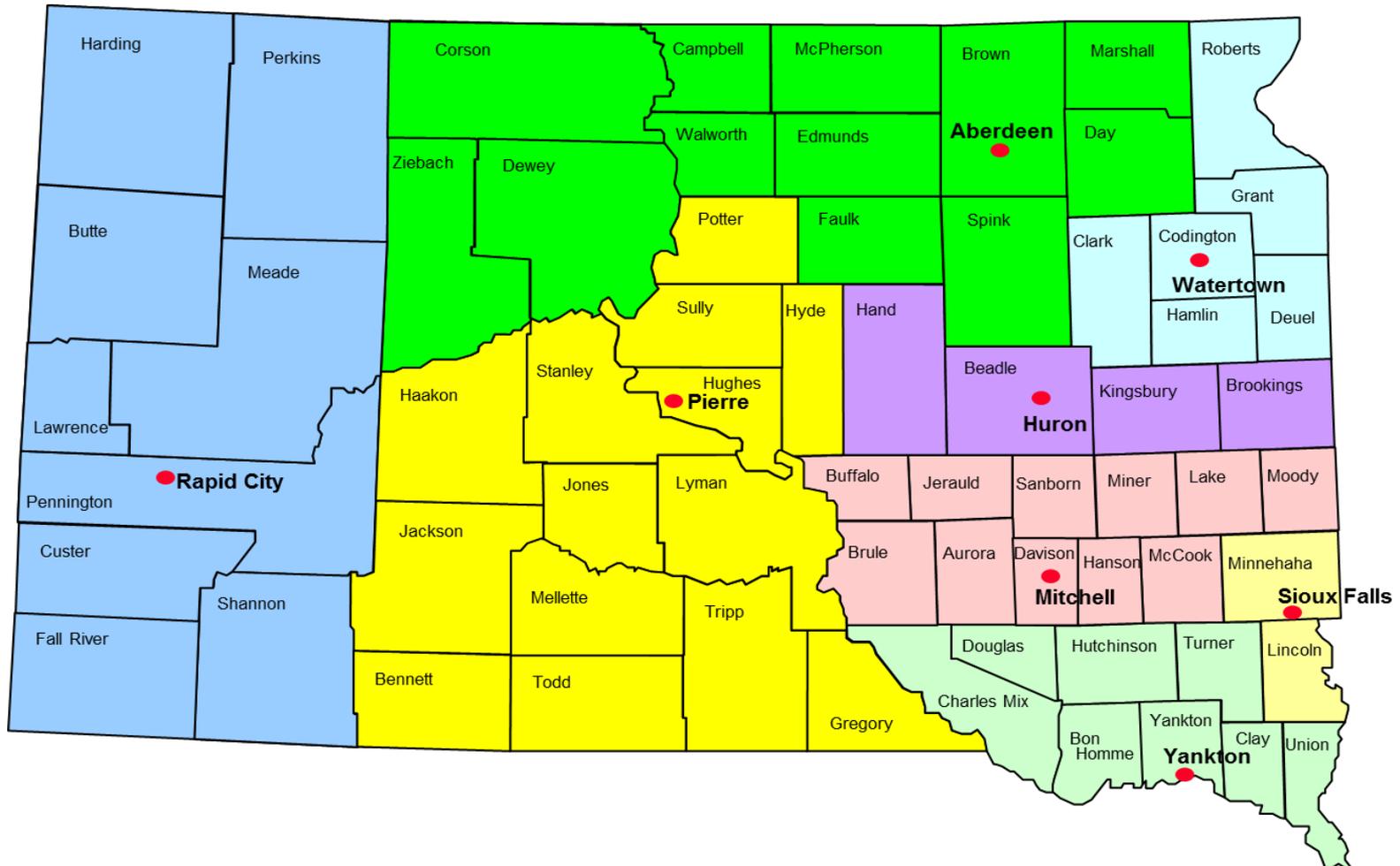
Eligible Populations:

- **Adults with legal guardianship/custody of minor children.**
 - DCS provides assistance with establishment, enforcement and/or collection of child support.
- **Recipients of TANF, low income family Medicaid or Child Care Subsidy services must establish child support cases if applicable.**
- **Alleged fathers who need assistance establishing paternity.**

Division of Child Support

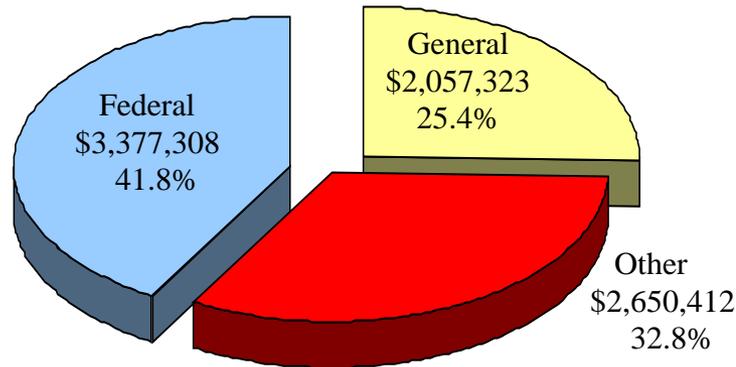
Service Delivery:

- Staff located in 8 communities throughout the state.



Division of Child Support

FY15 Operating Budget:



Total: \$8,085,043 and 83.0 FTE

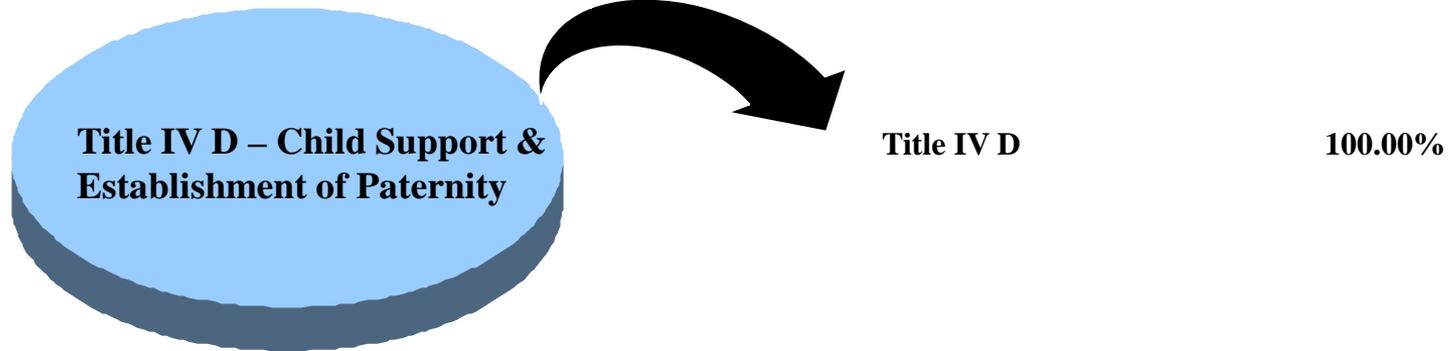
FY15 Major Budget Areas:

	FTE	General	Federal	Other	Total
DCS Administration and Field Staff	83.0	\$1,864,546	\$2,835,947	\$1,634,946	\$6,335,439
Referee, Prosecutor Reimbursements and New Hire Reporting	0.0	\$192,777	\$541,361	\$1,015,466	\$1,749,604
Total DCS	83.0	\$2,057,323	\$3,377,308	\$2,650,412	\$8,085,043
Personal Services	83.0	\$1,168,544	\$1,882,562	\$1,612,809	\$4,663,915
Operating Expense	0.0	\$888,779	\$1,494,746	\$1,037,603	\$3,421,128
Total DCS	83.0	\$2,057,323	\$3,377,308	\$2,650,412	\$8,085,043

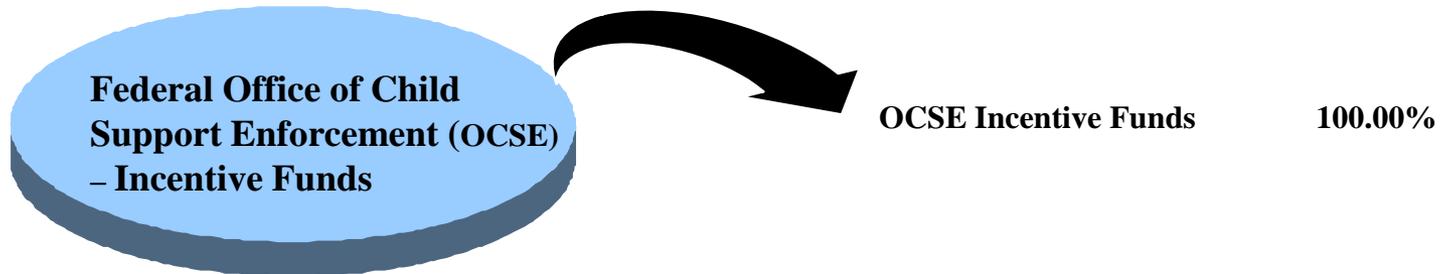
Division of Child Support

FY15 Funding Sources

Federal Fund Sources – Total \$3,377,308



Other Fund Sources – Total \$2,650,412



Division of Child Support

DCS Administration and Field Staff:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	83.0	\$1,864,546	\$2,835,947	\$1,634,946	\$6,335,439

- **Personal services and operating for 83.0 FTE across the state.**

Division of Child Support

How is Child Support Order Established?

- **Notice of Support Debt (NSD) is served on the noncustodial parent requesting his/her financial information. A copy of NSD is also sent to the custodial parent.**
- **Upon receipt of financial information, a recommended child support obligation is established.**
 - DCS has access to Department of Labor and Regulation new hire and wage information which is used to verify income when applicable.
- **Notice is sent to both parents advising of the recommended obligation and the right to request a hearing before a UJS court appointed referee if they object.**
 - DCS pays referees according to rates established by UJS.
- **If no objections are filed, the child support order is sent to Circuit Court for the judge's signature and filing.**
- **If either party objects to an order after it has been entered in Circuit Court, he/she has 30 days to appeal to the Supreme Court.**

Division of Child Support

How is Child Support Amount Determined?

- **Child Support schedule is in SDCL.**
- **Child Support Commission convenes every four years to review schedule as required by federal law.**
- **Commission reviews economic data to determine whether or not changes to the schedule will be recommended.**
- **Last changed in 2008.**
- **2012 Commission recommended no changes to the schedule.**

Division of Child Support

Child Support Calculation:

- **The combined monthly net incomes of both parents is used in determining the total monthly child support obligation.**
- **Allowable deductions from gross income include:**
 - Income taxes;
 - Social security and Medicare taxes;
 - Contributions to an IRS qualified retirement plan;
 - Actual business expenses of an employee, incurred for the benefit of his employer, not reimbursed;
 - Payments made on other support and maintenance orders.
- **The total obligation is divided proportionately between the parents based on their respective net incomes.**

Division of Child Support

Monthly Support Obligation Examples:

- Both parents earn minimum wage (\$1,473 per month). Noncustodial parent's obligation according to the child support guidelines for two children is \$399 per month.
- Custodial parent's gross income is \$36,533 per year (\$3,044 per month). Noncustodial parent's gross income is \$40,000 per year (\$3,333 per month). Each parent contributes 6% gross per month for retirement. According to the child support guidelines, the total monthly obligation for two children is \$1,334. Noncustodial parent's income is 52% of the total combined income meaning that his/her proportionate share of the total obligation is 52% or \$694 per month (52% of \$1,334).
- If either party objects to the recommended child support order, they may file objections and a hearing will be held.

Division of Child Support

Enforcement Tools:

- **When people don't pay their child support as ordered, DCS uses the following enforcement tools:**
 - Order to Withhold Income issued to employers.
 - Child support arrears reported to credit bureaus.
 - Restrict or revoke driver/professional licenses.
 - Restrict issuance of hunting/fishing licenses.
 - Restrict issuance/renewal of passports.
 - Court referrals.
 - States Attorneys and Special Assistant Attorney Generals contract with DCS and assist with court proceedings.

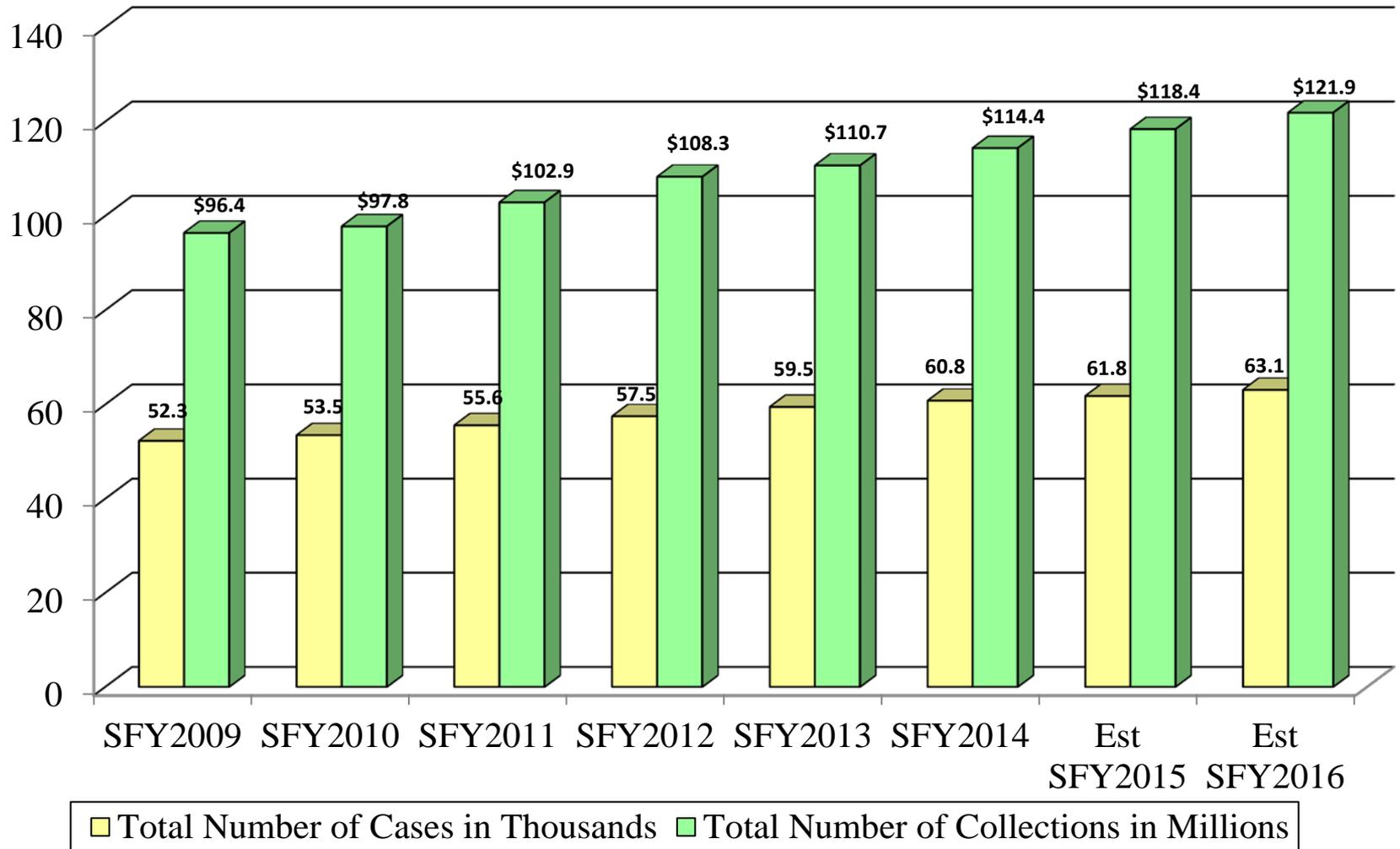
Division of Child Support

Federal Requirements:

- **DCS must comply with various federal requirements, examples include:**
 - Disburse payments within 2 business days after receipt of payment.
 - Meet timeframes to establish child support orders.
- **DCS has various federal audits to ensure federal requirements are met, including IRS audits.**
- **For past 13 years, SD DCS's performance has been ranked the top 3 in the nation. State's performance is measured in five program areas and results are used to calculate the amount of federal incentives each state receives. The program areas include:**
 - 1) paternity establishment;
 - 2) cases with support orders;
 - 3) collections on current support;
 - 4) collection on arrears; and
 - 5) cost-effectiveness

Division of Child Support

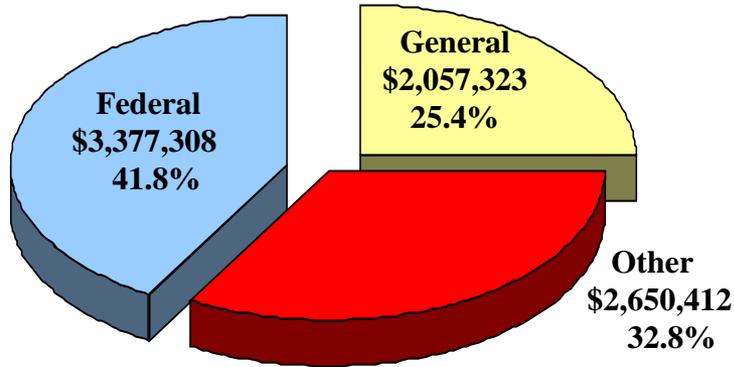
Number of Cases and Collections



Division of Child Support

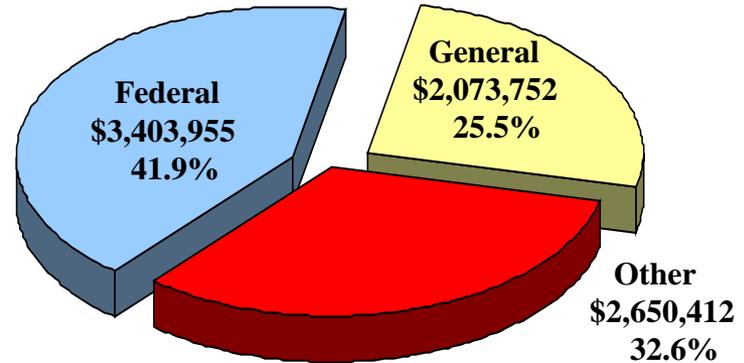
FY15 Budget Compared to FY16

FY15 Operating Budget



Total: \$8,085,043 and 83.0 FTE

FY16 Recommended Budget



Total: \$8,128,119 and 83.0 FTE

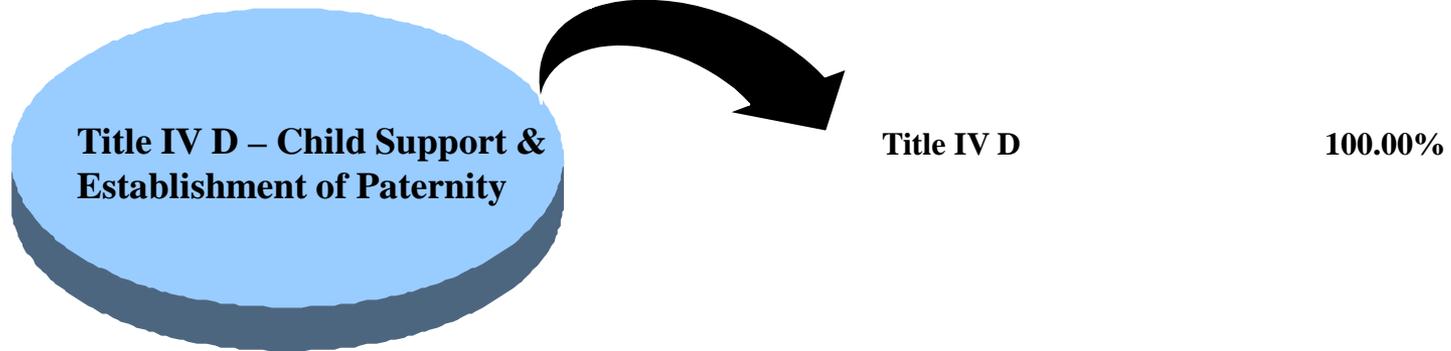
MAJOR BUDGET INCREASES AND DECREASES

	GENERAL	FEDERAL	OTHER	TOTAL
Inflation: Inflation for Referee, Prosecutor Reimbursements, and the New Hire Reporting Match.	\$16,429	\$26,647	\$0	\$43,076
Totals:	\$16,429	\$26,647	\$0	\$43,076

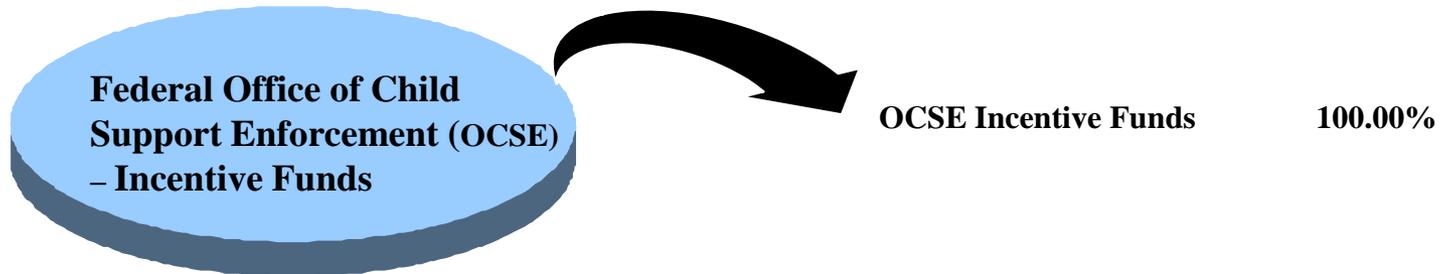
Division of Child Support

FY16 Funding Sources

Federal Fund Sources – Total \$3,403,955



Other Fund Sources – Total \$2,650,412



Department of Social Services



Division of Child Protection Services (CPS)

Division of Child Protection Services

Provide Services For:

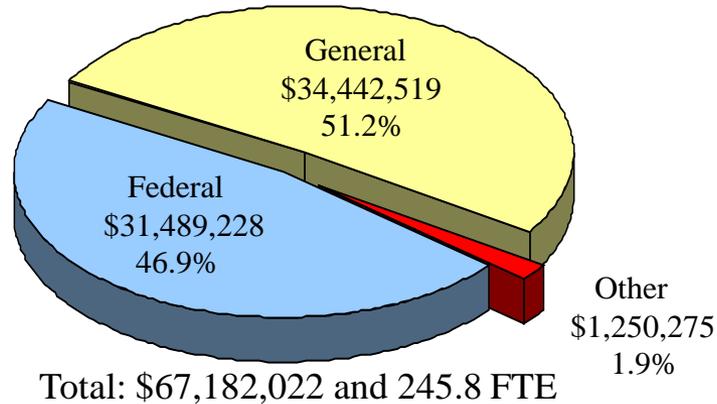
- Families referred due to safety concerns of children relating to neglect, physical abuse, sexual abuse and emotional abuse.
- Kinship, foster and adoptive families.

Services Provided:

- Intake of reports of child abuse and neglect.
- Family assessments.
- Direct & referral services to maintain or reunite family.
- Foster care, group care and residential treatment placements for children.
 - Licensing
- Independent living services for teens.
- Adoption & post-adoption supports.
- Parenting education.

Division of Child Protection Services

FY15 Operating Budget:



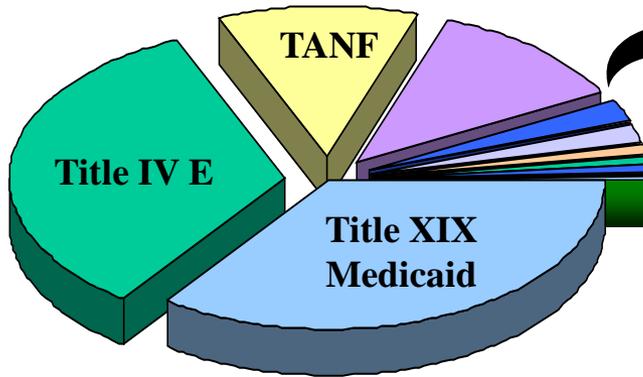
FY15 Major Budget Areas:

	FTE	General	Federal	Other	Total
CPS Administration and Field Staff	245.8	\$11,198,181	\$8,876,683	\$0	\$20,074,864
Foster Care/Kinship and Support	0.0	\$4,440,150	\$4,746,576	\$887,517	\$10,074,243
Group Care and Psychiatric Residential Treatr	0.0	\$11,025,788	\$10,150,146	\$102,598	\$21,278,532
Subsidized Guardianship and Subsidized Adop	0.0	\$5,982,220	\$5,235,004	\$6,188	\$11,223,412
Tribal Contracts	0.0	\$855,346	\$183,456	\$0	\$1,038,802
Independent Living	0.0	\$280,328	\$613,063	\$0	\$893,391
All Others	0.0	\$660,506	\$1,684,300	\$253,972	\$2,598,778
Total CPS	245.8	\$34,442,519	\$31,489,228	\$1,250,275	\$67,182,022
Personal Services	245.8	\$9,559,049	\$7,060,736	\$0	\$16,619,785
Operating Expense	0.0	\$24,883,470	\$24,428,492	\$1,250,275	\$50,562,237
Total CPS	245.8	\$34,442,519	\$31,489,228	\$1,250,275	\$67,182,022

Division of Child Protection Services

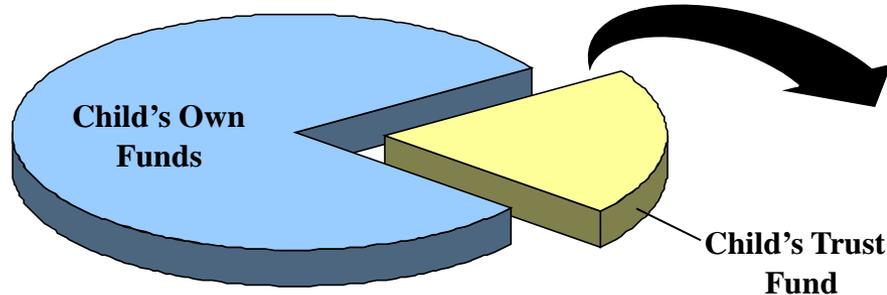
FY15 Funding Sources

Federal Fund Sources – Total \$31,489,228



Medicaid	34.96%
Title IV E Foster Care & Adoption	33.62%
Social Services Block Grant	12.05%
TANF	11.60%
Family Preservation	2.59%
Title IV B Child & Family	1.93%
Community Based	1.15%
Children's Justice Act	0.77%
Child Abuse & Neglect	0.65%
Education & Training	0.49%
Adoption Incentive	0.13%
Title III E - Caregiver	0.06%

Other Fund Sources – Total \$1,250,275



Child's Own Funds	79.69%
Child's Trust Fund	20.31%

Division of Child Protection Services

CPS Administration and Field Staff:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	245.8	\$11,198,181	\$8,876,683	\$0	\$20,074,864

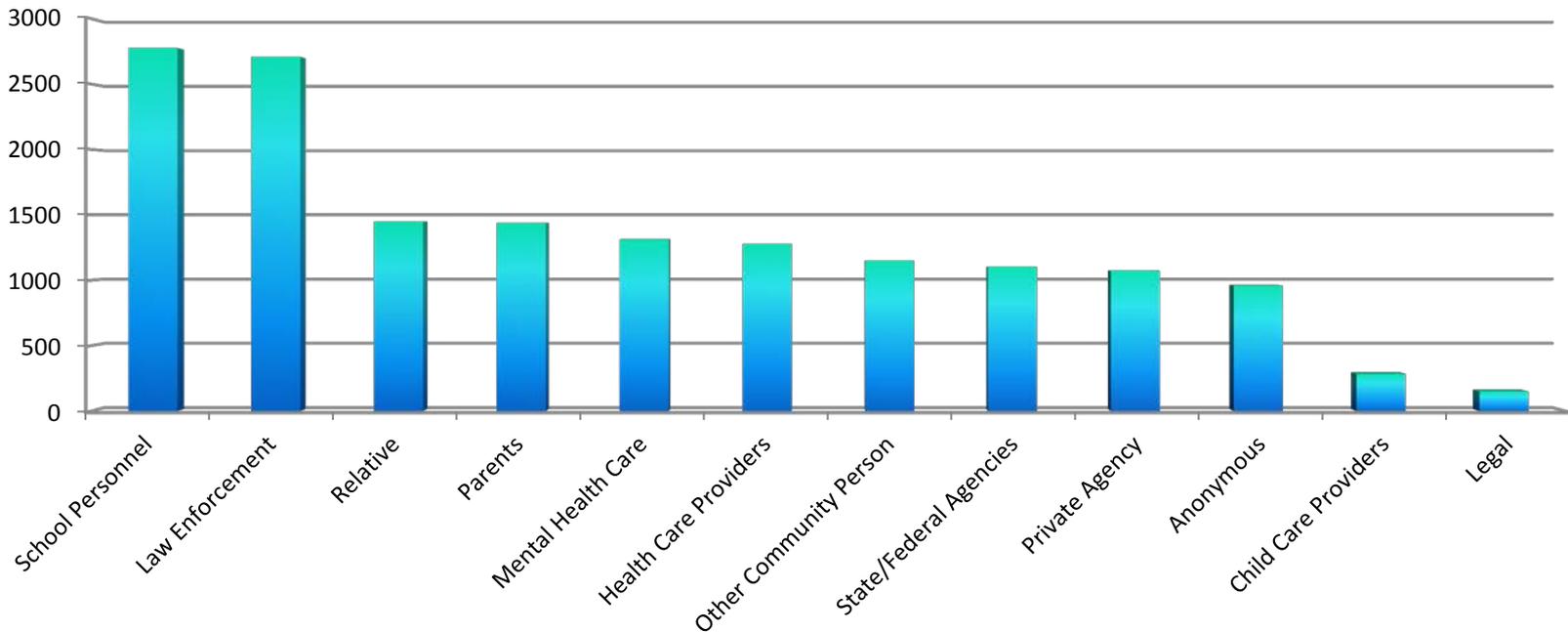
- **Personal services and operating for 245.8 FTE across the state.**

Division of Child Protection Services

Services Provided:

- **Intake of Reports of Child Abuse and Neglect**
 - Families referred due to safety concerns of children related to neglect, physical abuse, sexual abuse and emotional abuse.
 - 16,129 reports received in SFY 2014.
 - Mandatory Reporters - SDCL 26-8A-3.

Reporter Types FY 2014



Division of Child Protection Services

Initial Family Assessment (IFA):

2,581 IFAs assigned involving 4,736 children

- To determine if there is an immediate danger to the child;
- To determine if concerns for child safety can be managed in the home or if further safety interventions are required;
- To determine the families who require ongoing services from CPS;
- To provide ongoing safety evaluations through the life of the case; and
- To determine the disposition of maltreatment allegations.

Division of Child Protection Services

Initial Family Assessment Outcomes:

- **No safety concerns identified - Case closed- no further intervention required.**
- **Safety concerns identified and safety can be managed in the family's home.**
 - Services provided by CPS
 - Services provided by community providers
- **When children are found to be unsafe and safety cannot be managed in the home, only law enforcement and the courts have the authority to remove a child from the home.**
- **Placement Options for Children**
 - Kinship
 - Foster Care
 - Group Care
 - Residential Treatment
 - Intensive Residential Treatment

Division of Child Protection Services

Demographics of Children in Care:

Ages

0-4	33.9%
5-11	38.7%
12-18	26.5%
19-21	0.9%

Gender

Male	50.0%
Female	50.0%

Race

Black	6.2%
Indian	59.5%
White	33.3%
Other	1.0%

* data SFY14

Division of Child Protection Services

Foster Care/Kinship and Support:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY 15 Budget	-	\$4,440,150	\$4,746,576	\$887,517	\$10,074,243

Foster Care/Kinship and Support - Kinship:

- Kin include relatives by blood, marriage, adoption, and stepparents and can also include other responsible adults who have a bond or tie with a child and/or the child's parents.
- Continuous care provided for a child in custody in the home of a relative.
- Kinship care assures children will have connections to their families and their culture and precludes foster care placement.
 - Relative Preference Law SDCL 26-7A-19.
 - Kin are not required to be licensed, but can choose to become licensed.
- Placement requires Kinship Home Study.
- Funding to assist with the care of the child.

Division of Child Protection Services

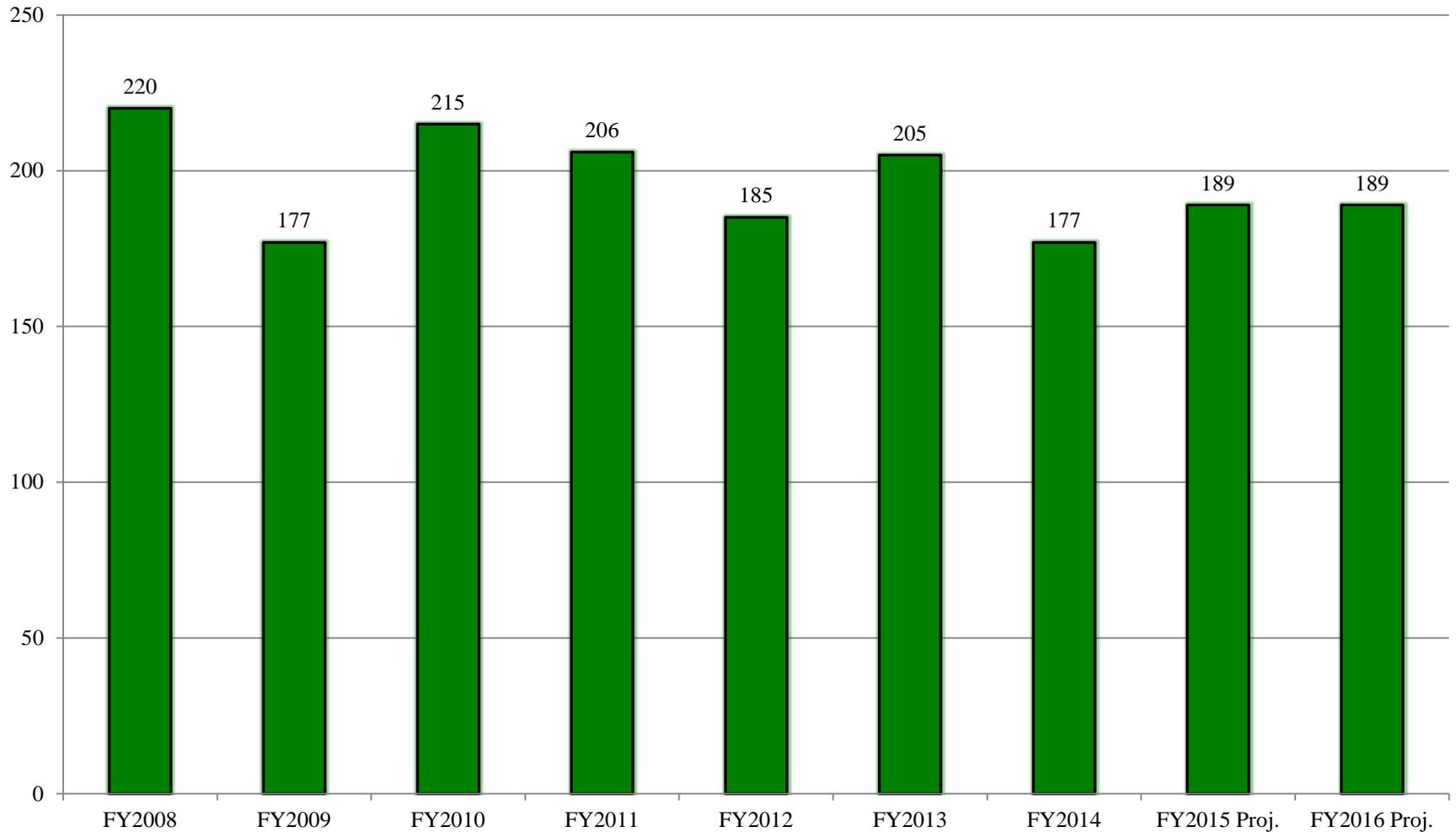
Foster Care/Kinship and Support - Kinship - continued:

- **Kinship Locators - Specialize in locating kin of children in custody.**
 - **CPS has four Kinship Locators.**
 - **Locating and Engaging Kin.**
 - Parents may not be willing to provide names of kin.
 - May not be able to locate parents to obtains names of kin.
 - Relative only has a PO Box, so have no ability to locate the home, not responding to letters.
 - Personal contact with kin to engage, help them with process and obtain additional leads for other kin.
 - Document all efforts to locate kin and results.

Division of Child Protection Services

Kinship

■ Number of Kinships



Division of Child Protection Services

Foster Care/Kinship and Support – Foster Care:

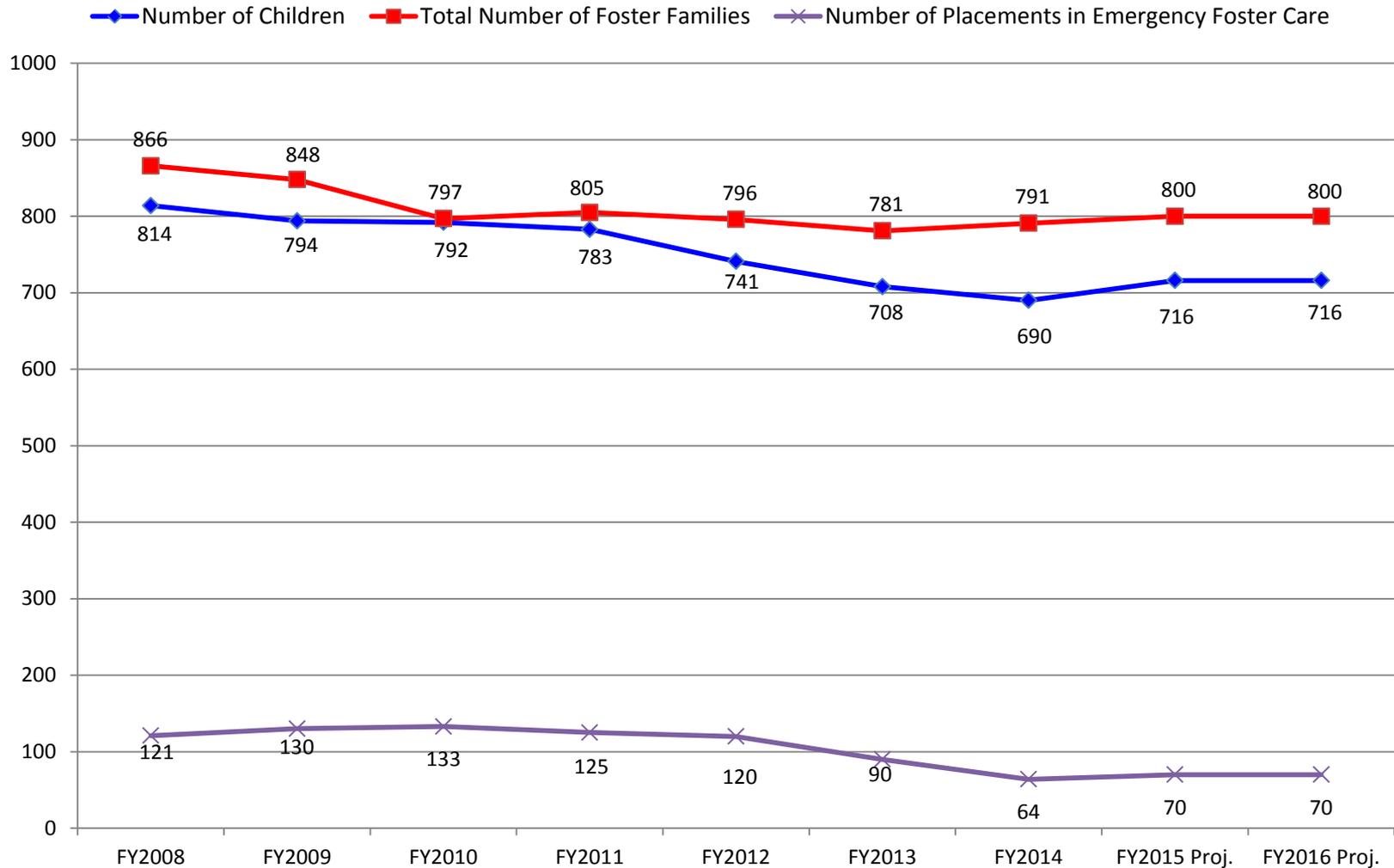
- **Emergency**
- **Basic**
- **Specialized**
- **Treatment**
- **Support for foster families**

Foster Families:

- **Federal government requires foster families to be licensed to receive reimbursement for care of children.**
- **Safety requirements**
 - Criminal background checks
 - Central registry screen
 - Home safety check
- **30 hours of training**
- **References**
- **Health**
- **Home study**

Division of Child Protection Services

Foster Care & Foster Families



Division of Child Protection Services

Group Care and Psychiatric Residential Treatment Facilities (PRTF):

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY 15 Budget	-	\$11,025,788	\$10,150,146	\$102,598	\$21,278,532

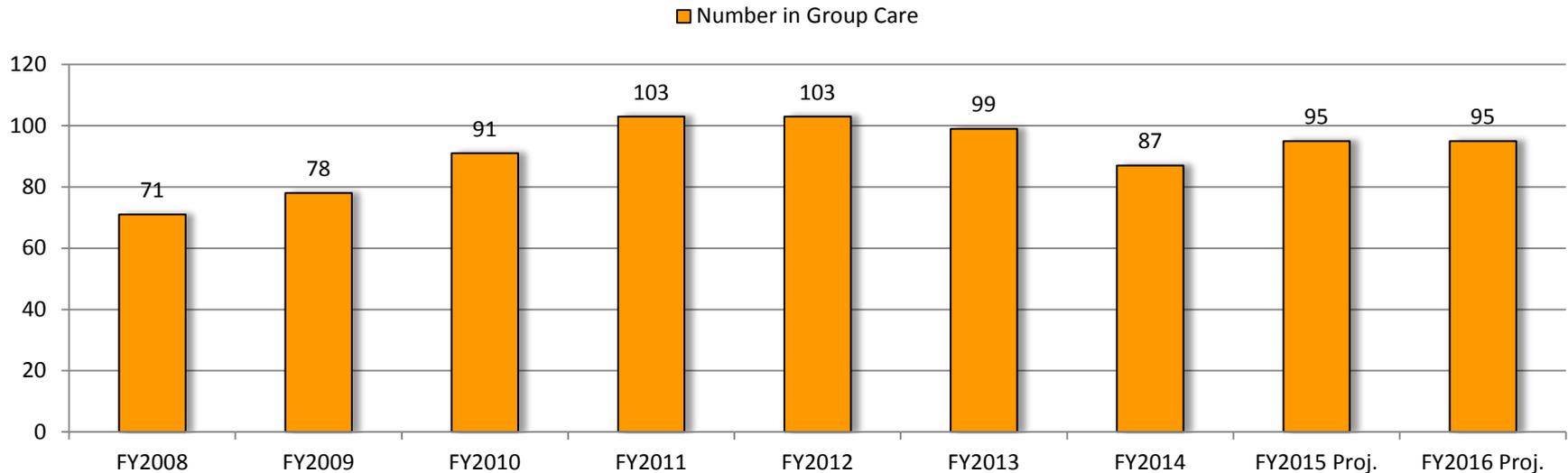
- **Group Care**
- **Psychiatric Residential Treatment Facilities (PRTF)**

Division of Child Protection Services

Group Care and PRTF – Group Care:

- **Kinship Care and Foster Care have been unsuccessful.**
- **Offers an inpatient structured setting for children.**
- **Staff/Child Ratio of one staff per eight children.**
- **Weekly therapy, but treatment focus is not psychiatric in nature.**
- **Does not require accreditation, but are licensed by the state.**
- **Placements require approval from State Office.**

Group Care for Minors



Division of Child Protection Services

Group Care and PRTF – PRTF:

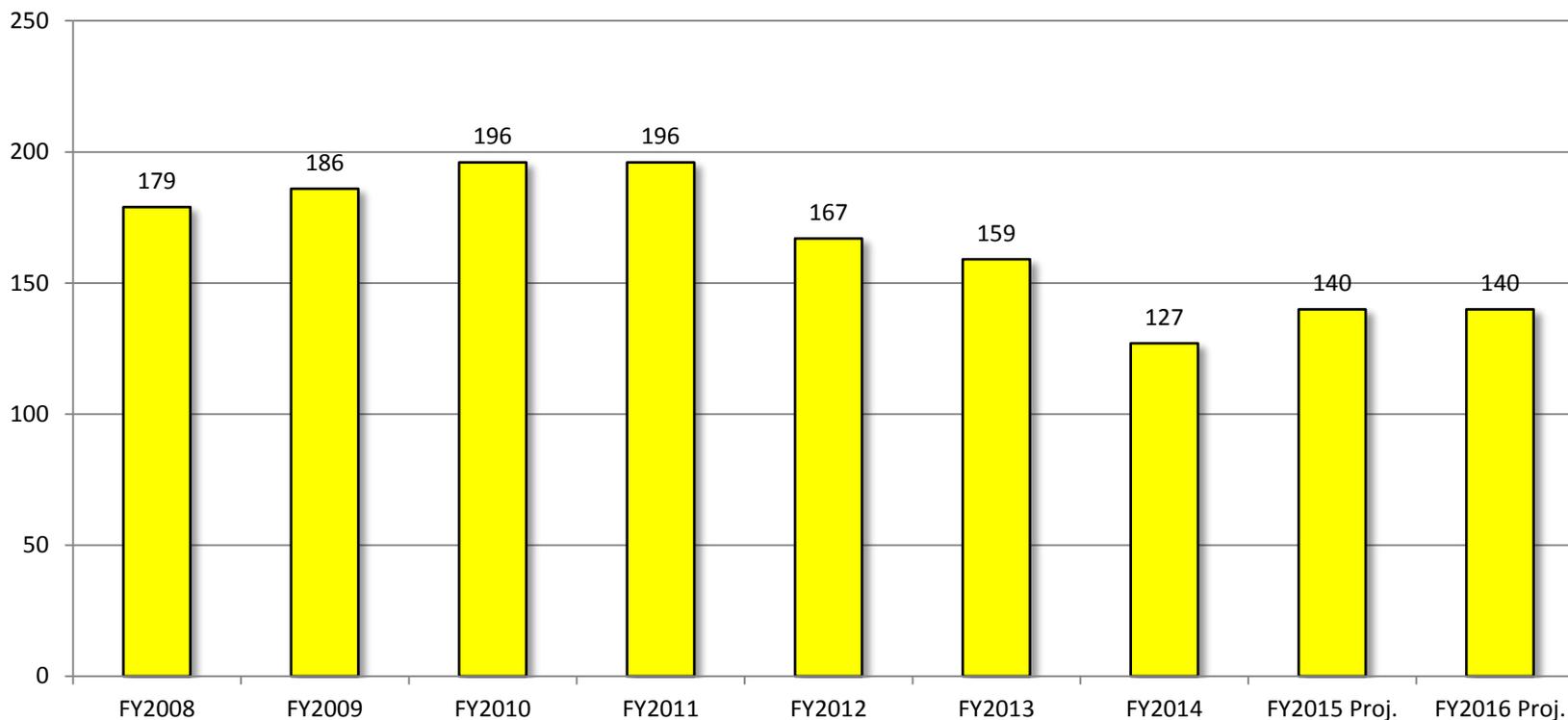
- **Residential Treatment Centers (RTC)**
 - RTCs Staff/Child Ratio of one staff per six youth.
 - RTCs offer a higher level of counseling than traditional group care centers for minors with some psychiatric interventions.
- **Intensive Residential Treatment (IRT)**
 - IRTs Staff/Child Ratio of one staff per three youth.
 - IRTs offer a more intense psychiatric therapeutic intervention.
- **Less restrictive levels of care have been unsuccessful.**
- **Placement approval via State Review Team and Medicaid Peer Review Organization (PRO).**
- **Providers must meet the federal requirements for a Psychiatric Residential Treatment Center including accreditation.**
- **FY15 General Bill Amendment (SB55) and FY16 Recommended Budget reduction due to declining utilization:**

General Funds	Federal Funds	Other Funds	Total
(\$428,227)	(\$456,905)	\$0	(\$885,132)

Division of Child Protection Services

Psychiatric Residential Treatment

■ Number in Psychiatric Residential Treatment



Division of Child Protection Services

Tribal Contracts:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$855,346	\$183,456	\$0	\$1,038,802

- **Sisseton-Wahpeton Oyate**
- **Oglala Sioux Tribe Child Protection Program**
- **Flandreau Santee Sioux Tribe**
- **Standing Rock Sioux Tribe**

- **Tribes can enter into state-tribal agreements to provide child welfare and/or foster care services to their members.**
- **Tribes must meet all federal requirements and are subject to same federal reviews.**
- **If tribes don't provide services, CPS does.**

Division of Child Protection Services

Indian Child Welfare Act (ICWA):

- **To strengthen and preserve Indian families and culture.**
- **Involves placement cases involving Indian children in state court (does not involve juvenile delinquency cases).**
- **Provide opportunity for tribes to intervene and be involved in state court proceedings.**
- **Provides for the transfer of state court cases to tribal court.**
- **Requires testimony from an expert witness who are familiar with the child's culture for purposes of a "foster care placement" or for termination of parental rights to an "Indian child".**
- **If a child is removed, either for foster care or adoption, the law requires that Indian children be placed with extended family members, other tribal members, or other Indian families unless good cause exists – Placement Preference.**
- **States Attorney, Court and DSS all have a roles to play in ICWA cases.**

Division of Child Protection Services

Role of DSS in Indian Child Welfare Act (ICWA) Cases:

- **Notify tribe when DSS is granted custody.**
- **Attempt to locate relatives for possible placement of children.**
- **If relatives are not available for placement, attempt to locate Indian foster family.**
- **Provide case information to child's tribe when Tribe intervenes and/or transfers case.**
- **Provide active efforts to parents to resolve safety issues resulting in custody of child.**

Division of Child Protection Services

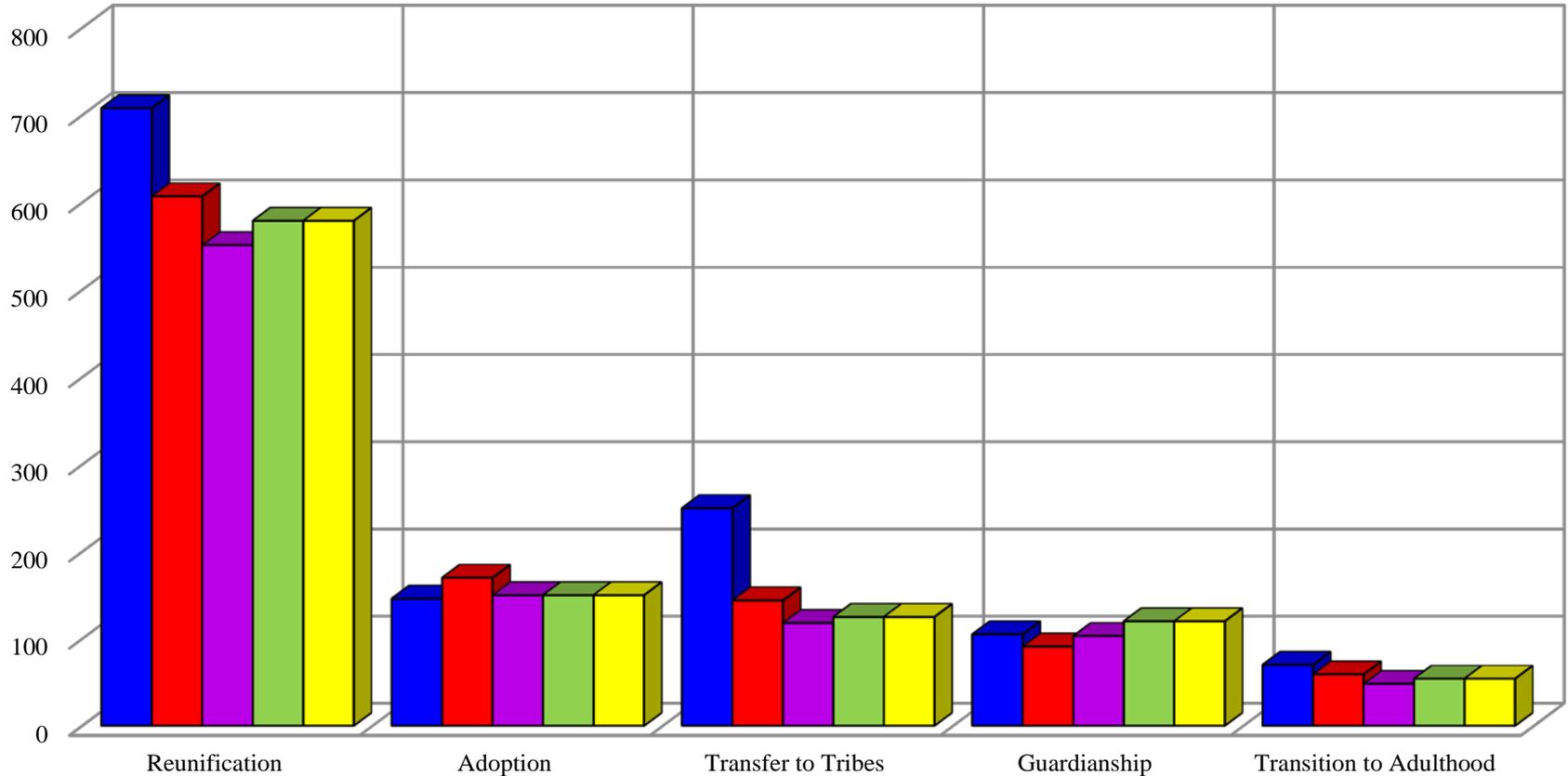
Discharge Outcomes:

- Reunification
- Guardianship
- Adoption
- Transition to Adulthood
- Transfer to Tribes

Division of Child Protection Services

Discharge Outcomes

■ FY2012
 ■ FY2013
 ■ FY2014
 ■ FY2015 Proj.
 ■ FY2016 Proj.

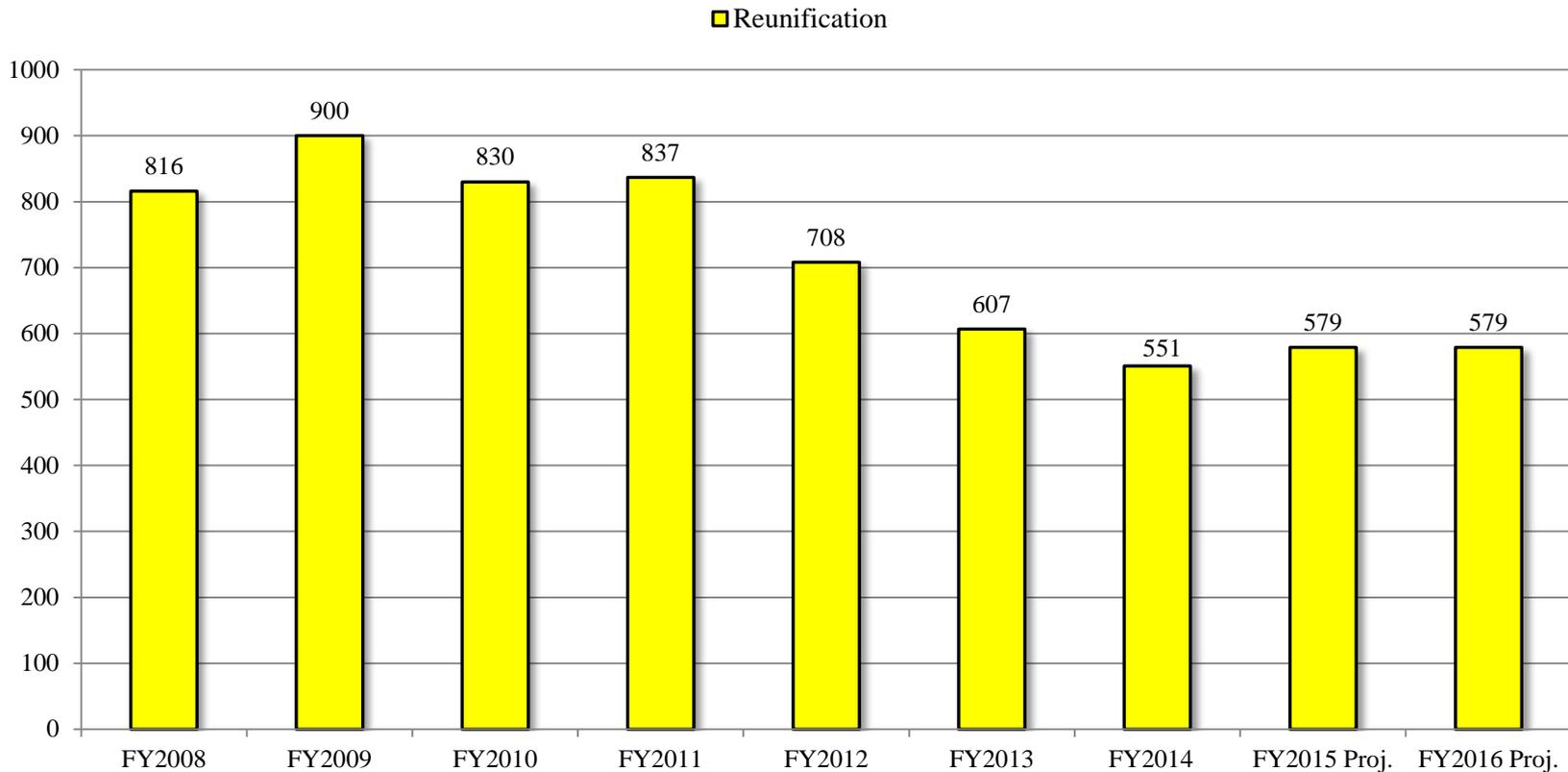


FY14	56.80% Reunifications	15.46% Adoption	12.17% to Transfer to Tribes	10.62% Guardianship	4.95% Transition to Adulthood
FY13	56.68% Reunifications	15.87% Adoption	13.45% to Transfer to Tribes	8.50% Guardianship	5.50% Transition to Adulthood
FY12	55.36% Reunifications	11.42% Adoption	19.55% to Transfer to Tribes	8.21% Guardianship	5.46% Transition to Adulthood

Division of Child Protection Services

Reunification:

- **Goal of CPS when working with families.**
- **Keep children at home safely and return them home safely.**
- **77% of children returned home within 12 months of placement.**



Division of Child Protection Services

Subsidized Guardianship and Subsidized Adoption:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$5,982,220	\$5,235,004	\$6,188	\$11,223,412

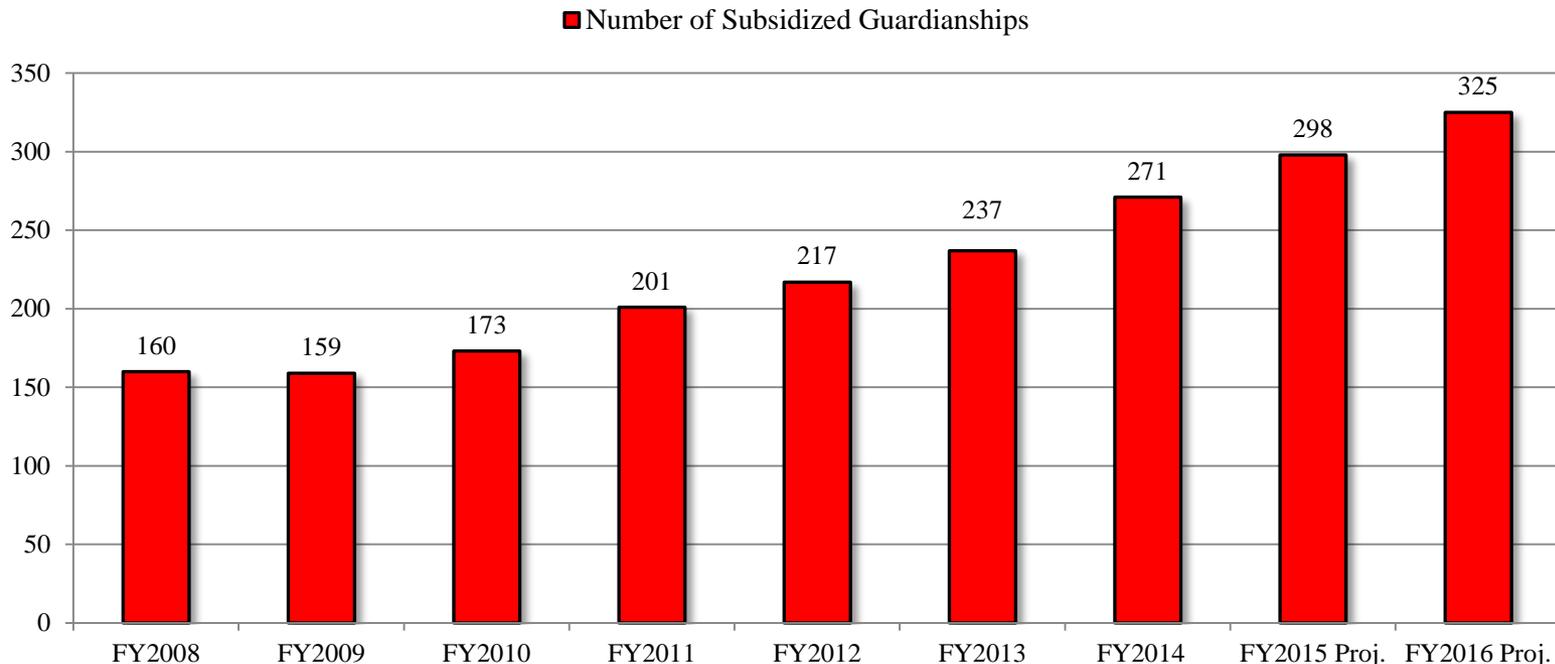
- **Subsidized Guardianship**
- **Subsidized Adoption and Medical**
- Provide children a permanency option when termination of parental rights is not feasible and/or adoption is not an option for the child.
- Alternative to foster care.

Division of Child Protection Services

Subsidized Guardianship and Subsidized Adoption – Subsidized Guardianship:

- Legal guardianship for a child with a family - related or not.
- Subsidies are available for families to assist with caring for the child.
- **FY16 Recommended Budget increase:**

General Funds	Federal Funds	Other Funds	Total
\$68,088	\$2,763	\$0	\$70,851



Division of Child Protection Services

Subsidized Guardianship and Subsidized Adoption – Subsidized Adoption:

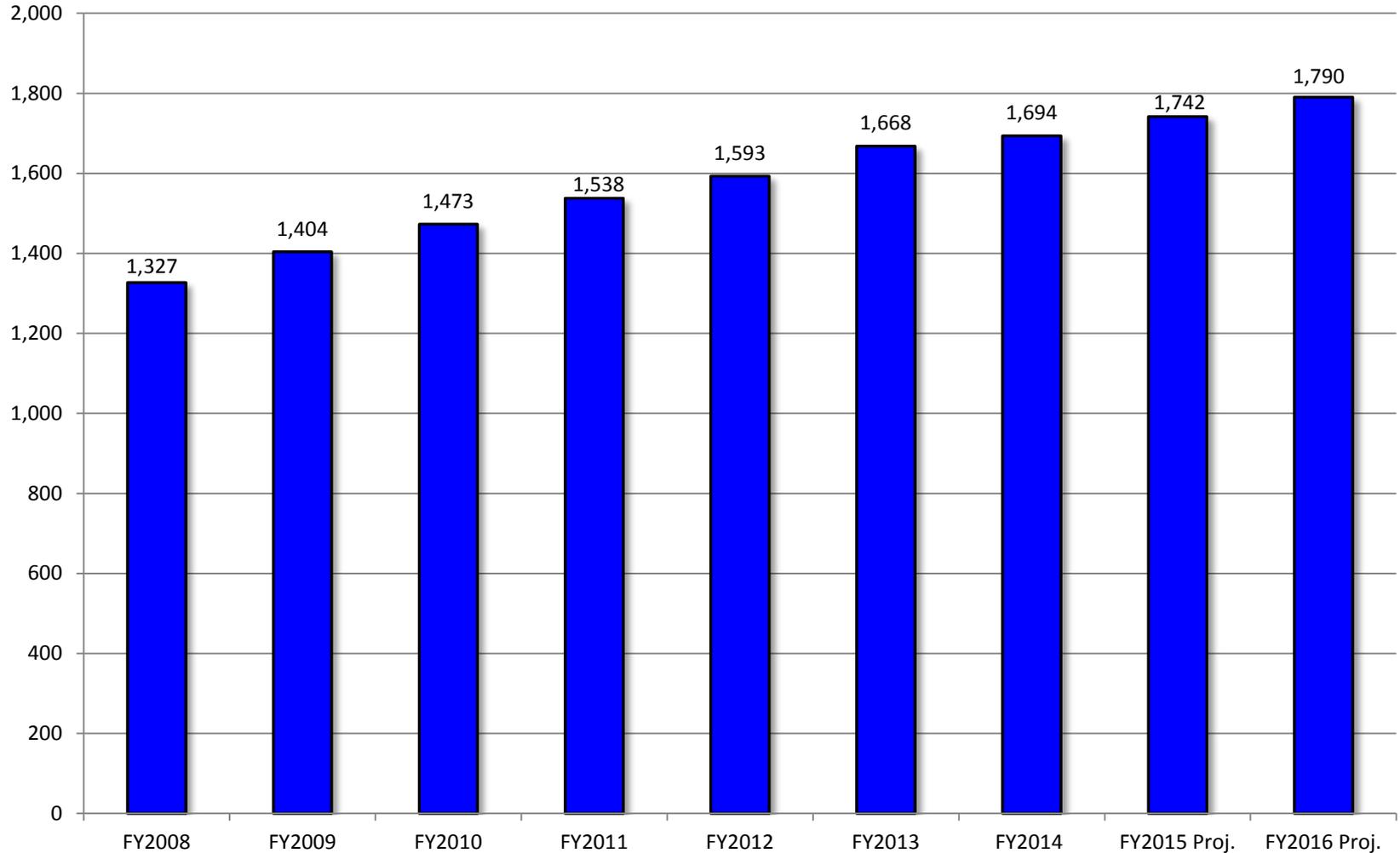
- **Adoptive family approval process.**
 - Safety requirements
 - Criminal background checks
 - Central registry screen
 - Home safety check
 - 30 hours of training
 - References
 - Health
 - Home study
- **Children placed with an adoptive family may receive a subsidy up to the basic foster care rate for the child based on the needs of the child as well as Medicaid coverage.**
- **Post adoptive supports.**
- **FY16 Recommended Budget increase:**

General Funds	Federal Funds	Other Funds	Total
\$525,546	\$59,955	\$0	\$585,501

Division of Child Protection Services

Adoption Subsidies

■ Number of Adoption Subsidies



Division of Child Protection Services

Independent Living:

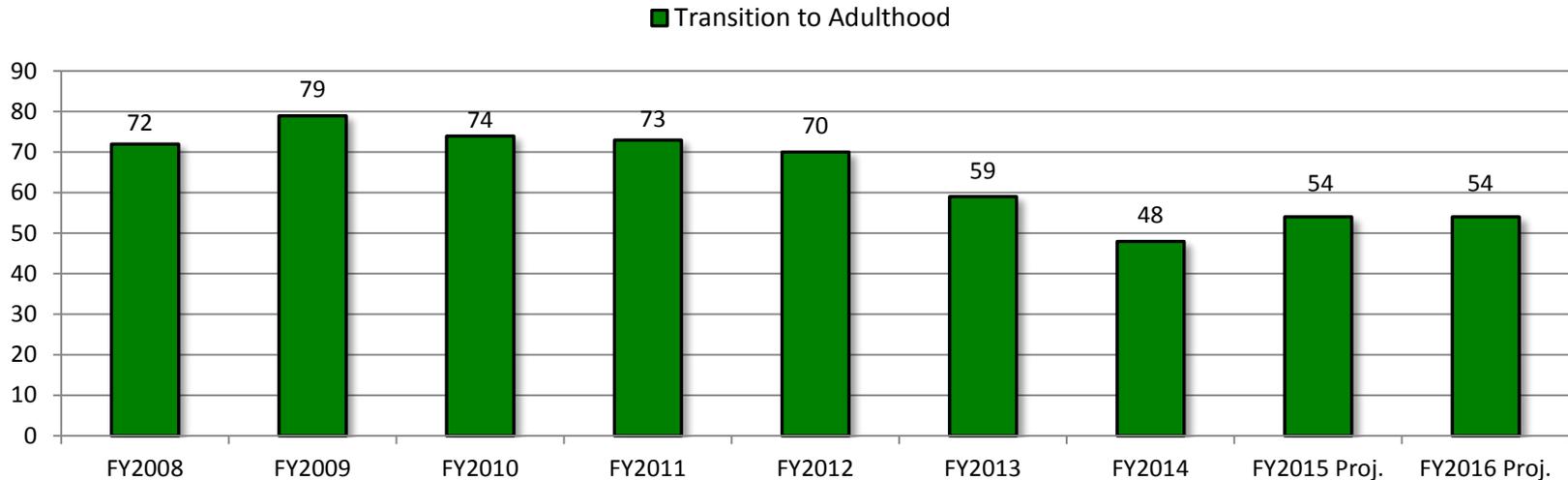
	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$280,328	\$613,063	\$0	\$893,391

- **Prepare youth in custody for transition.**
 - **Age 16, 17 and 18 Meetings.**
 - **Independent Living Assessments.**
 - **Regional Workshops/Teen Conference.**
 - **Discharge Plan.**
 - College or Technical School
 - Work Force
 - Military
 - Connections
 - **Develop plans and services for youth who cannot transition to independence due to mental health or other issues.**

Division of Child Protection Services

Transition to Adulthood continued:

- Provide services to young adult who have transitioned to adulthood with supports and assistance until they are 21.
- Services include:
 - Housing assistance
 - Assistance with college or technical school
 - Support groups
 - Obtain credit reports
 - Independent living programs



Division of Child Protection Services

Others:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	0.0	\$660,506	\$1,684,300	\$253,972	\$2,598,778

- **Special Projects**
- **Family Preservation & Support**
- **Placement Resource Recruitment**
 - Foster One
- **Parenting Education**

Division of Child Protection Services

Federal Oversight:

- **Title IV-E**
 - State Plan
 - Federal Reviews
 - Title IV-E Fund Source follows Title XIX FMAP percentages
 - Eligibility Requirements
 - Title IV-E
 - Non Title IV-E
- **Child and Family Services Plan.**
- **Other federal funding sources include Chafee, Child Abuse Prevention and Treatment Act Plan, and Children's Justice Act.**

Division of Child Protection Services

Federal Oversight - continued:

- **Outcome Goals (Timeliness to Reunification, Repeat Maltreatment, Abuse in Foster Care, Placement Stability, Adoption, Permanency Outcomes).**
- **Caseworker Visits**
 - 98.99% of required monthly visits occurred (Federal requirement is 90%).
 - 95.77% of the visits taking place where the child resides (Federal requirement is 50%).

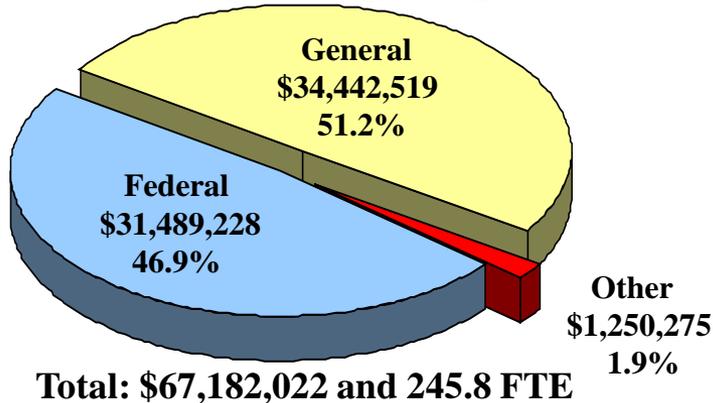
State Oversight:

- **State Court**
- **Tribal Court**

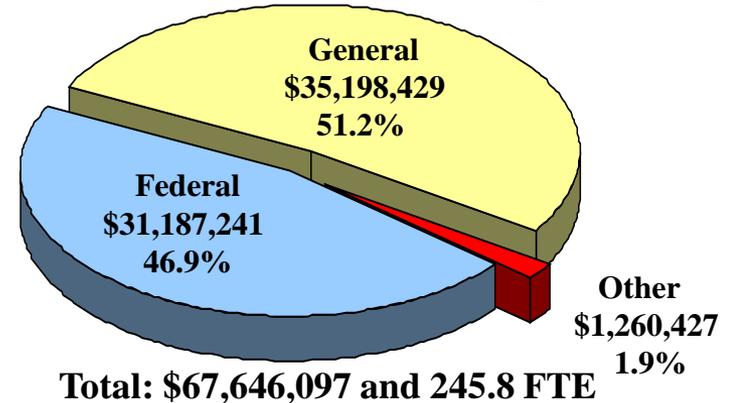
Division of Child Protection Services

FY15 Budget Compared to FY16

FY15 Operating Budget



FY16 Recommended Budget



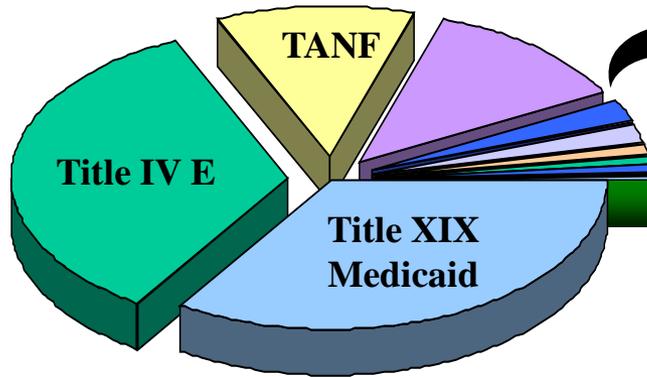
MAJOR BUDGET INCREASES AND DECREASES

	GENERAL	FEDERAL	OTHER	TOTAL
FMAP - Federal Medical Assistance Percentage:	\$153,879	(\$153,879)	\$0	\$0
Inflation: Inflation for Tribal Contracts, Foster Care, Group Care, Psychiatric Residential Facilities, etc.	\$436,624	\$246,079	\$10,152	\$692,855
Subsidized Adoptions: Expansion requested to meet anticipated growth in adoptions from 1,742 in FY15 to 1,790 in FY16.	\$525,546	\$59,955	\$0	\$585,501
Subsidized Guardianships: Expansion requested to meet anticipated growth in adoptions from 298 in FY15 to 325 in FY16.	\$68,088	\$2,763	\$0	\$70,851
Psychiatric Residential Treatment Facilities: Reduction due to decreases in utilization.	(\$428,227)	(\$456,905)	\$0	(\$885,132)
Totals:	\$755,910	(\$301,987)	\$10,152	\$464,075

Division of Child Protection Services

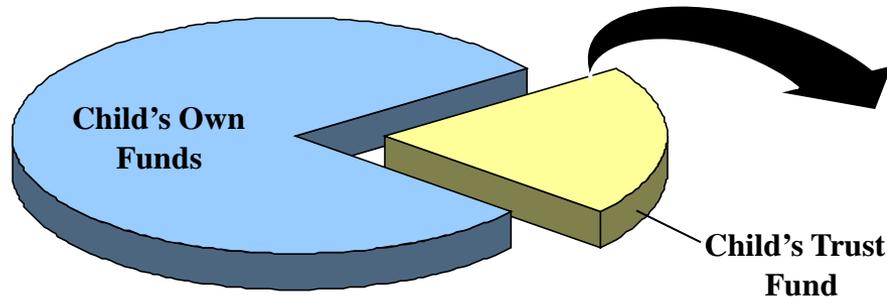
FY16 Funding Sources

Federal Fund Sources – Total \$31,187,241



Medicaid	34.14%
Title IV E Foster Care & Adoption	34.10%
Social Services Block Grant	12.17%
TANF	11.71%
Family Preservation	2.63%
Title IV B Child & Family	1.95%
Community Based	1.17%
Children's Justice Act	0.78%
Child Abuse & Neglect	0.66%
Education & Training	0.50%
Adoption Incentive	0.13%
Title III E - Caregiver	0.06%

Other Fund Sources – Total \$1,260,427



Child's Own Funds	79.27%
Child's Trust Fund	20.73%

Department of Social Services



Division of Child Care Services (CCS)

Division of Child Care Services

Provide Services For:

- **Low income families with children.**
- **Child care providers.**

Services Provided:

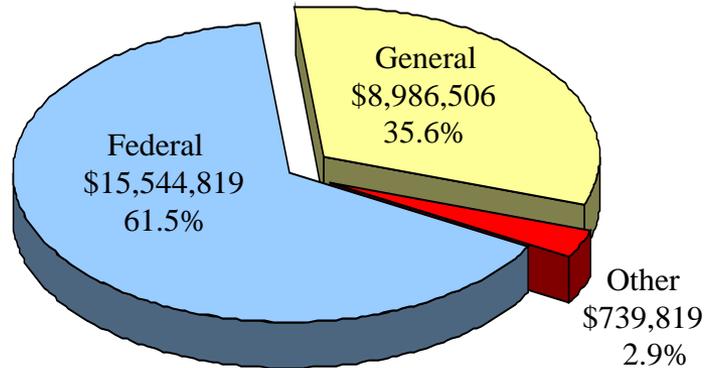
- **Assistance to eligible working families with their child care costs.**
- **Licensing and registration of child care programs.**
- **Professional development and training opportunities for child care providers.**
- **Child Safety Seat Program.**

Service Delivery:

- **Centralized eligibility determinations for child care assistance.**
- **Regional child care licensing and registration services located in 6 communities.**
- **Contracts with service providers - Regional Early Childhood Enrichment & After School program development and support.**

Division of Child Care Services

FY15 Operating Budget:



Total: \$25,271,144 and 25.0 FTE

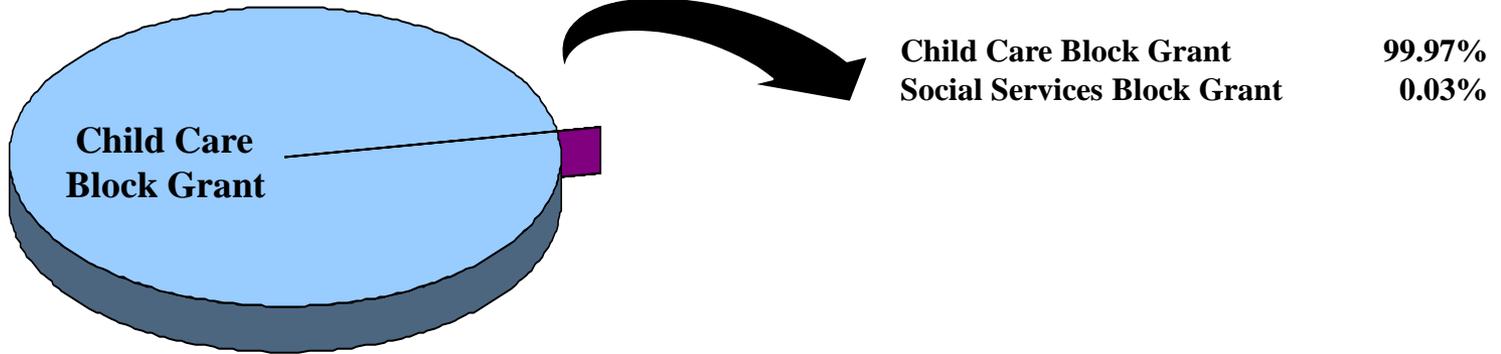
FY15 Major Budget Areas:

	FTE	General	Federal	Other	Total
CCS Administration and Field Staff	25.0	\$968,213	\$1,059,016	\$0	\$2,027,229
Child Care Subsidy	0.0	\$7,709,360	\$12,819,567	\$739,819	\$21,268,746
All Others	0.0	\$308,933	\$1,666,236	\$0	\$1,975,169
Total CCS	25.0	\$8,986,506	\$15,544,819	\$739,819	\$25,271,144
Personal Services	25.0	\$702,000	\$764,714	\$0	\$1,466,714
Operating Expense	0.0	\$8,284,506	\$14,780,105	\$739,819	\$23,804,430
Total CCS	25.0	\$8,986,506	\$15,544,819	\$739,819	\$25,271,144

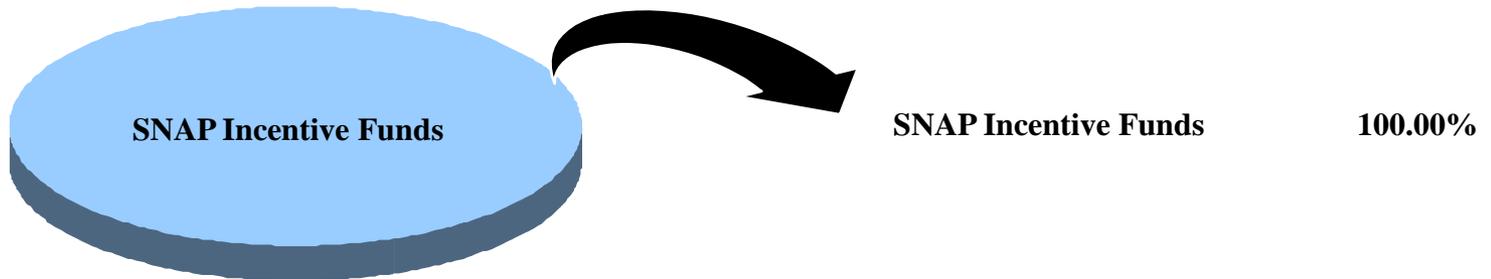
Division of Child Care Services (CCS)

FY15 Funding Sources

Federal Fund Sources – Total \$15,544,819



Other Fund Sources – Total \$739,819



Division of Child Care Services

CCS Administration and Field Staff:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	25.0	\$968,213	\$1,059,016	\$0	\$2,027,229

- **Personal services and operating for 25.0 FTE located across the state.**

Division of Child Care Services

Child Care Subsidy:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$7,709,360	\$12,819,567	\$739,819	\$21,268,746

Who We Serve:

- Parents working and/or attending school
- Foster and adoptive parents
- TANF recipients
- Children with special needs

Division of Child Care Services

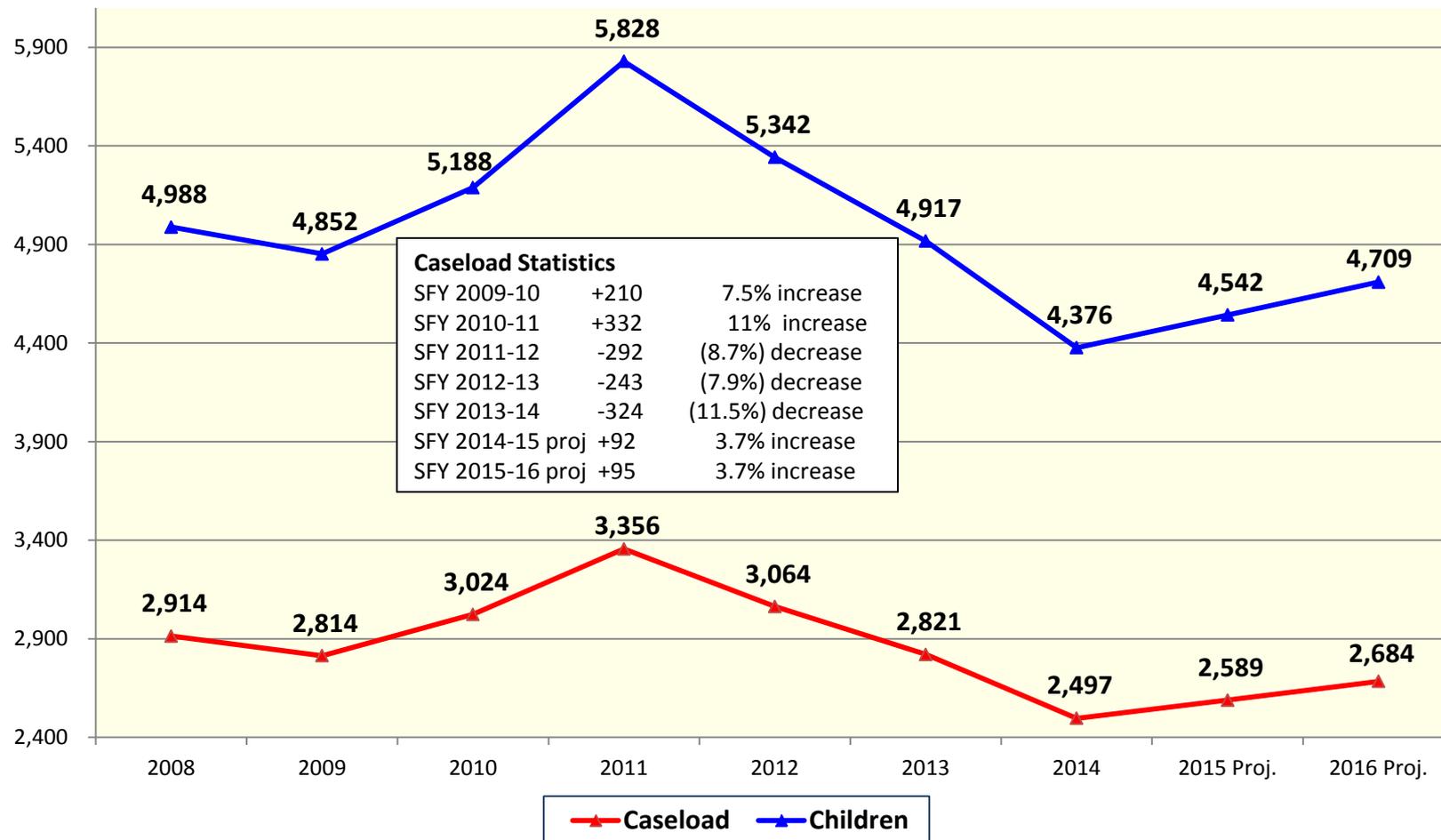
Child Care Subsidy - Eligibility:

- Income Level: 175% of federal poverty level (\$41,738 family of four).
- Must be working and/or attending school.
- Must use an eligible provider (registered or licensed).
 - Child care provider paid directly for authorized care.
 - Families have co-pays based on their family size and income.
 - Cost of care for family of three with two children age 1 and 4 attending a child care center in Minnehaha county is approximately \$1,280 per month.
 - Family co-pay by poverty level:
 - Poverty level or below - \$0
 - 150% - \$371
 - 175% - \$433
- A biennial Market Rate Survey is required to certify payment rates are sufficient to ensure access to child care.
- FY14 Average monthly payment per case: \$495.
- Average length of eligibility 14 months.
- FY15 General Bill Amendment (SB55) and FY16 Recommended Budget reduction due to declining utilization:

General Funds	Federal Funds	Other Funds	Total
(\$867,854)	(\$1,700,000)	\$0	(\$2,567,854)

Division of Child Care Services

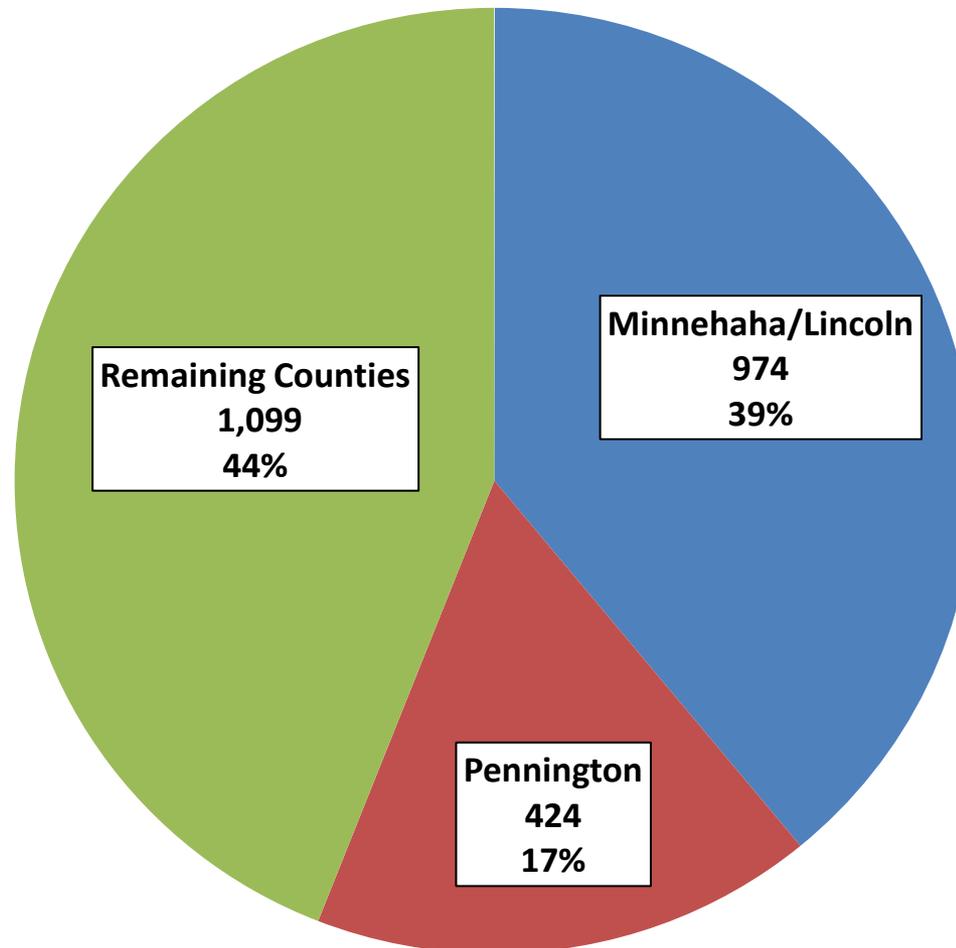
Child Care Subsidy - Monthly Average Caseload and Children served by Fiscal Year



Division of Child Care Services

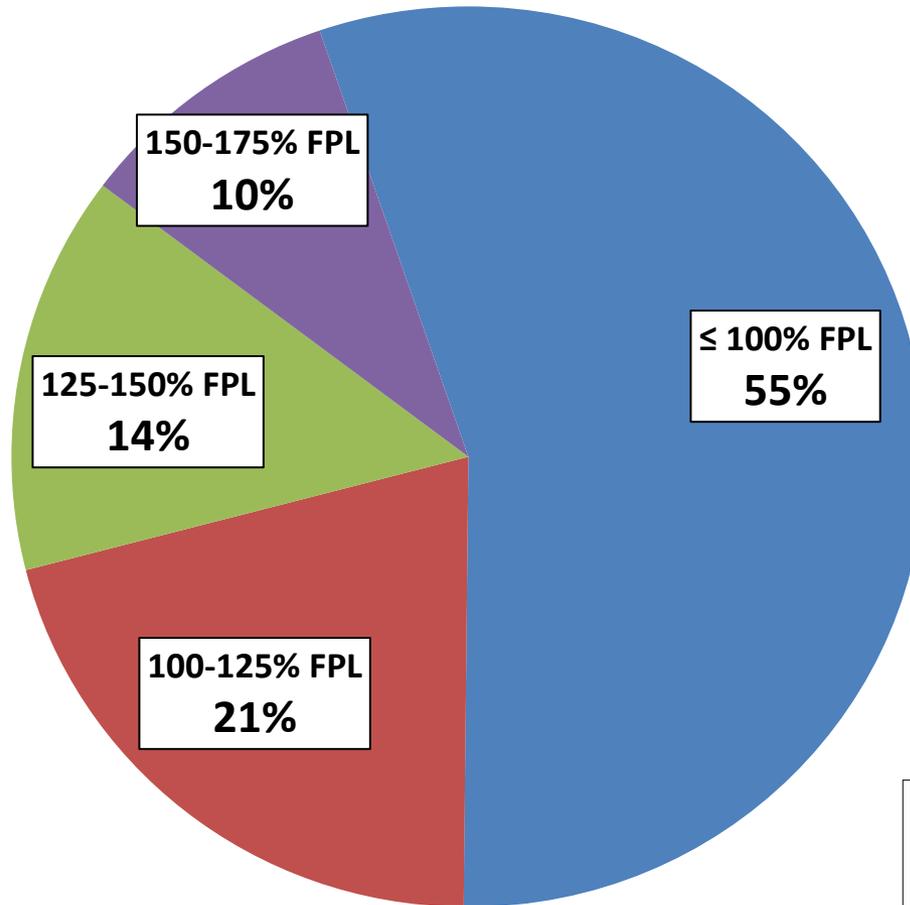
Monthly Average Caseload by Region

SFY 2014



Division of Child Care Services

Distribution of Caseload by FPL SFY 2014



SFY 2014 Caseload	
≤ 100% FPL	3,348
100-125% FPL	1,256
125-150% FPL	864
150-175% FPL	571

Division of Child Care Services

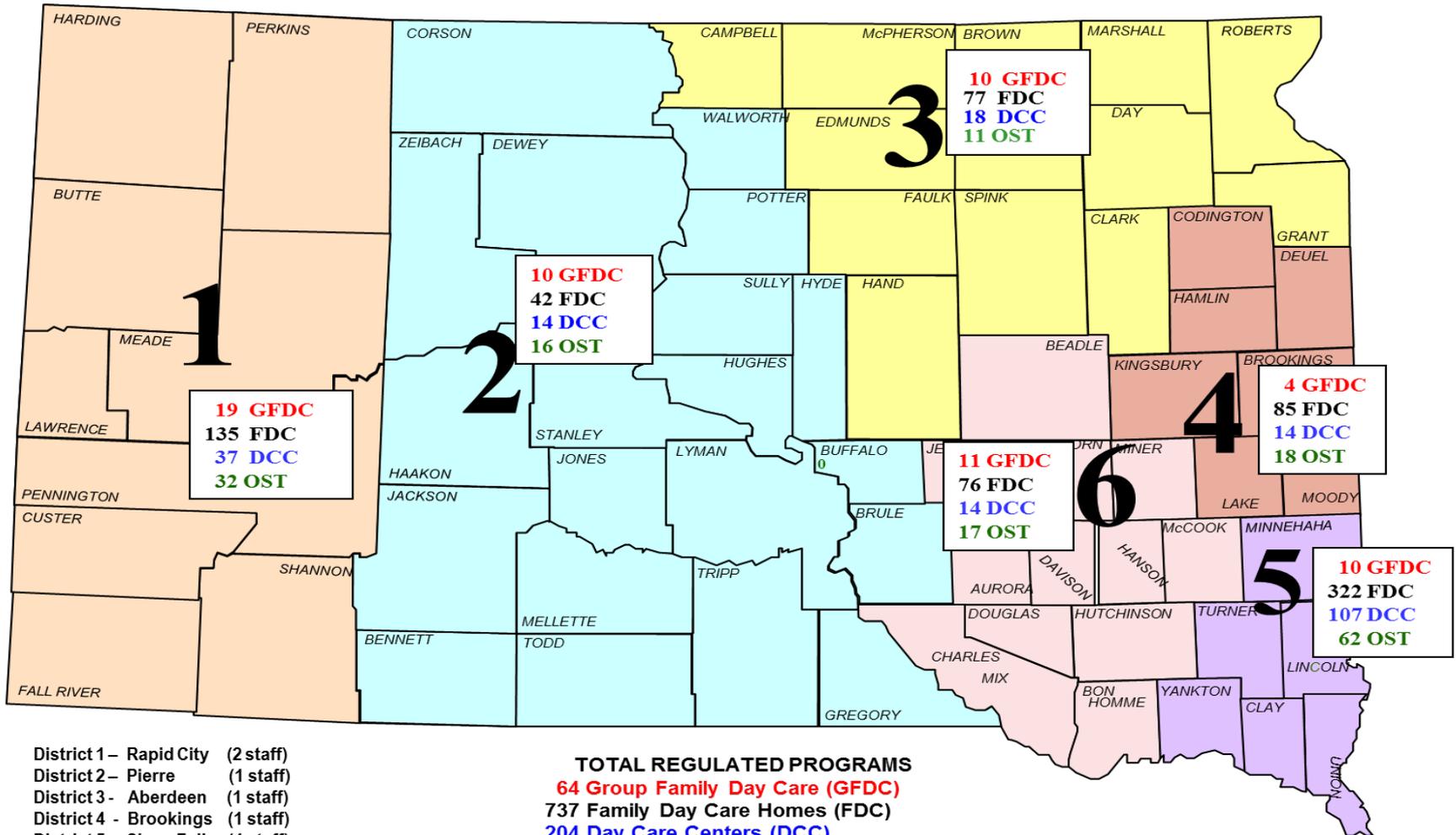
Other Child Care Programs:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$308,933	\$1,666,236	\$0	\$1,975,169

- **Contracts with service providers – Five regional Early Childhood Enrichment (ECE) programs for training and technical assistance and other activities to assist programs in meeting licensing requirements.**
- **Other services for low income families.**
 - Child Safety Seat Program.
 - Individuals must also be eligible for other low income based programs.
 - 2,312 seats distributed in FY14.

Division of Child Care Services

CHILD CARE LICENSING REGIONS



- District 1 – Rapid City (2 staff)
- District 2 – Pierre (1 staff)
- District 3 - Aberdeen (1 staff)
- District 4 - Brookings (1 staff)
- District 5 – Sioux Falls (4 staff)
- District 6 – Mitchell (1 staff)

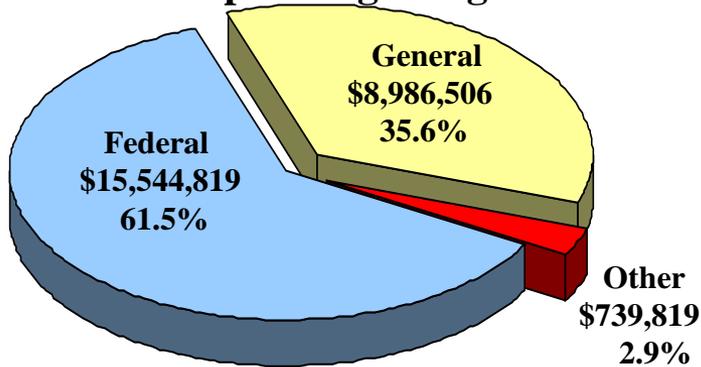
TOTAL REGULATED PROGRAMS
64 Group Family Day Care (GFDC)
737 Family Day Care Homes (FDC)
204 Day Care Centers (DCC)
156 Out-of-School-Time Programs (OST)

SFY14

Division of Child Care Services

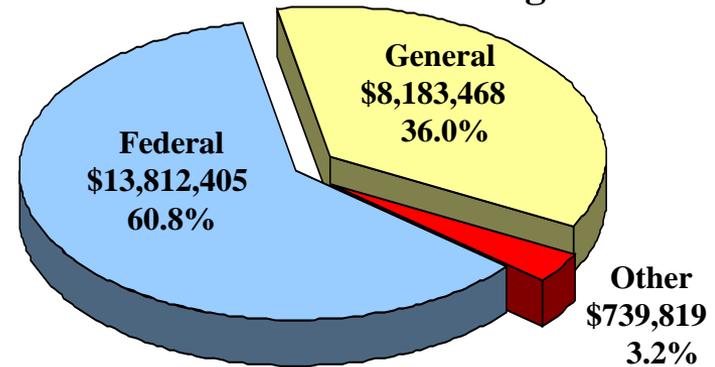
FY15 Budget Compared to FY16

FY15 Operating Budget



Total: \$25,271,144 and 25.0 FTE

FY16 Recommended Budget



Total: \$22,735,692 and 25.0 FTE

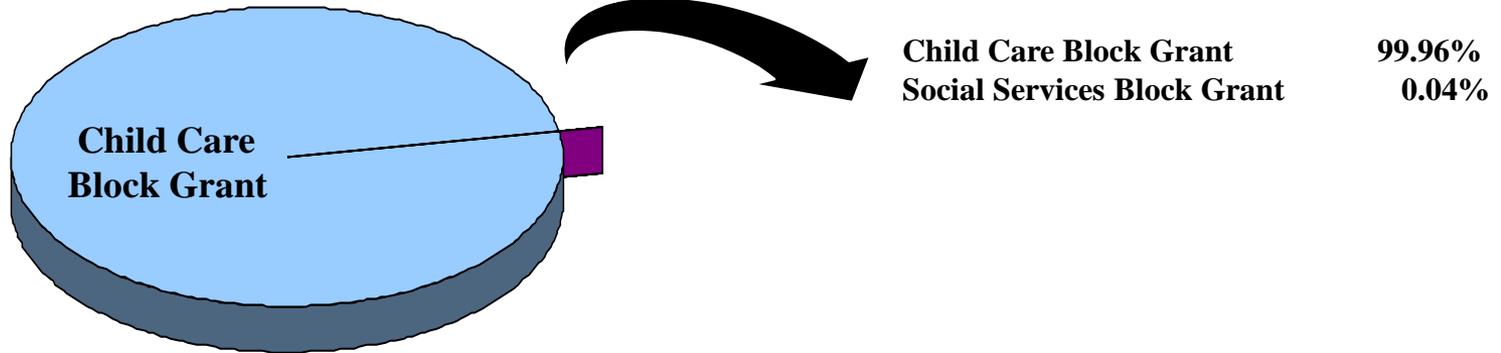
MAJOR BUDGET INCREASES AND DECREASES

	GENERAL	FEDERAL	OTHER	TOTAL
Child Care Block Grant Match Increase: (Corresponds to FMAP rates).	\$32,414	(\$32,414)	\$0	\$0
Inflation: Early Childhood Enrichment Programs (ECE) and other contractual services.	\$32,402	\$0	\$0	\$32,402
Child Care Subsidy: Reduction due to decreases in utilization.	(\$867,854)	(\$1,700,000)	\$0	(\$2,567,854)
Totals:	(\$803,038)	(\$1,732,414)	\$0	(\$2,535,452)

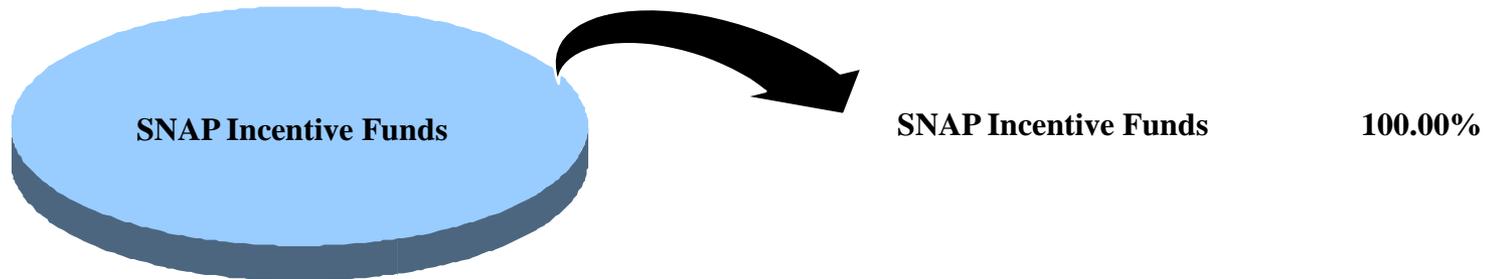
Division of Child Care Services

FY16 Funding Sources

Federal Fund Sources – Total \$13,812,405



Other Fund Sources – Total \$739,819



Department of Social Services



Behavioral Health

- Human Services Center
- Division of Behavioral Health

Behavioral Health

What is “Behavioral Health”?

- Behavioral health includes both mental health disorders and substance use disorders.
- It is common for people to have co-occurring mental health and substance use disorders.
- Behavioral health treatment is most effective when services are integrated and provided simultaneously in the least restrictive environment.

What is a “Serious Mental Illness”?

- Serious mental illness includes both a diagnosable mental health disorder and functional impairments that significantly interfere with daily living.
 - Mood Disorders
 - 9.5% of the population in a given year.
 - Bipolar disorder, major depressive disorder, dysthymic disorder.
 - Often co-occur with anxiety disorders and substance abuse.
 - Schizophrenia
 - 1.1% of the population in a given year.
 - Often appears in late adolescence or early adulthood.

Behavioral Health

Prevalence: Mental Disorders:

- **National Institute of Mental Health.**
- **An estimated 18.6% of Americans 18 and older experience a diagnosable mental health disorder in a given year.**
- **13.1% of children have a diagnosable mental health disorder in a given year.**
- **Although mental health disorders are widespread in the population, an estimated 4.1% of Americans 18 and older were diagnosed with a serious mental illness.**

Prevalence: Substance Abuse Disorders:

- **National Survey on Drug Use and Health**
 - **Estimated 21.6 million persons (8.2% of the population age 12 or older) had substance dependence or abuse diagnosis.**
 - **Of the 21.6 million, 2.6 million were classified with dependence or abuse of alcohol and illicit drugs, 14.7 million with only alcohol and 4.3 million with only illicit drug use.**

Behavioral Health

Behavioral Health Workgroup:

- **Established in 2011 by Governor Dugaard after reorganization of behavioral health services. Created to guide the long-term vision of the behavioral health system.**
- **Progress on Workgroup Recommendations:**
 - Expanded evidence-based mental health services for individuals with serious mental illness.
 - Implemented evidence-based substance abuse and criminal thinking services for individuals involved in the criminal justice system.
 - Implementing mental health and supported housing services for youth transitioning to the community from out of out-of-home placements.
 - Created a geriatric admission unit at HSC and a clinical review process to assist nursing facilities and reduce unnecessary admissions.
 - Increased capacity for community nursing facility services for individuals with challenging behaviors.
 - Worked with the Attorney General's Office to utilize Janssen Pharmaceutical settlement funds to support various workgroup recommendations.
 - Educational programs for people living with mental illness and their family members.
 - Crisis intervention training for law enforcement.
 - Mental health first aid training for community members.
 - Suicide intervention trainings.

For more information, visit <http://dss.sd.gov/behavioralhealthservices/index.asp>

Department of Social Services



Human Services Center (HSC)

Human Services Center

Who We Serve:

- **Individuals ages 12 to end of life who are unable to be served by other providers.**
 - A less restrictive environment is not an option for care.
- **Voluntary and involuntary admissions.**

Services Provided:

- **Licensed specialty hospital, state's only public psychiatric hospital .**
 - Adult & adolescent inpatient psychiatric treatment.
 - Adult & adolescent inpatient substance abuse treatment.
 - Geriatric psychiatric treatment (nursing facility).
 - Court ordered competency evaluations and restoration.

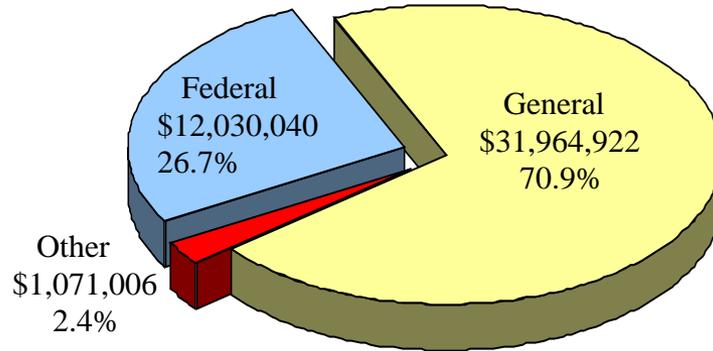
Human Services Center

Stewardship Plan :

- Proposed by Governor Daugaard during the 2013 Legislative Session (HB1033) evaluate and demolish a number of buildings on the old campus that were in disrepair and to provide an opportunity to restore or rehabilitate other structures.
- Progress to date: 15 buildings demolished after evaluation indicated they were not economically feasible to repair or remodel. Main roadway concrete work completed.
- Final phase to include backfill, grading, seeding, and sidewalk replacement to be completed in June 2015.

Human Services Center

FY15 Operating Budget:



Total: \$45,065,968 and 566.0 FTE

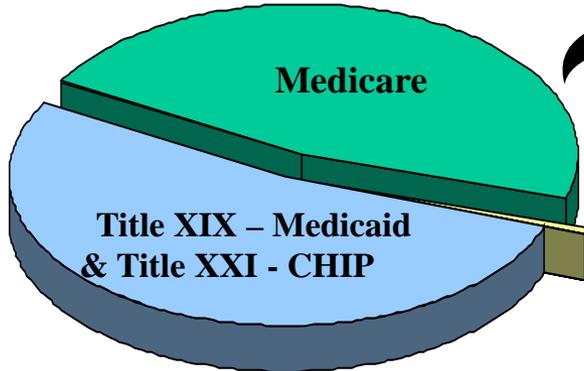
FY15 Major Budget Areas:

	FTE	General	Federal	Other	Total
HSC Administration	57.0	\$3,475,982	\$1,027,404	\$197,225	\$4,700,611
Inpatient Psychiatric Treatment	266.0	\$11,950,194	\$4,545,795	\$0	\$16,495,989
Inpatient Substance Abuse Treatment	48.0	\$2,375,683	\$706,802	\$0	\$3,082,485
Geriatric Services	91.0	\$4,311,972	\$1,218,554	\$0	\$5,530,526
Clinical Services	55.5	\$5,817,618	\$2,917,427	\$673,033	\$9,408,078
Facility Operations	48.5	\$4,033,473	\$1,614,058	\$200,748	\$5,848,279
Total HSC	566.0	\$31,964,922	\$12,030,040	\$1,071,006	\$45,065,968
Personal Services	566.0	\$25,542,019	\$9,659,024	\$533,917	\$35,734,960
Operating Expense	0.0	\$6,422,903	\$2,371,016	\$537,089	\$9,331,008
Total HSC	566.0	\$31,964,922	\$12,030,040	\$1,071,006	\$45,065,968

Human Services Center

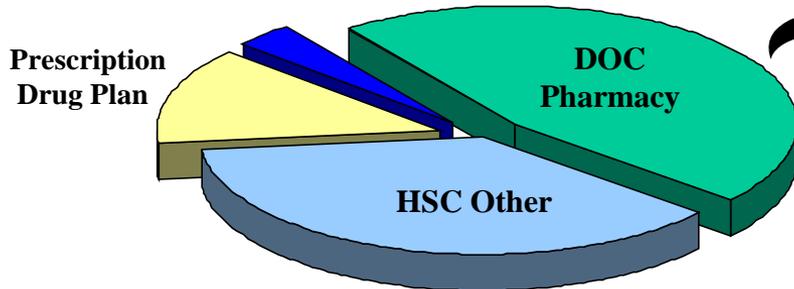
FY15 Funding Sources

Federal Fund Sources – Total \$12,030,040



Medicaid & CHIP	52.49%
Medicare	46.77%
National School Lunch	0.74%

Other Fund Sources – Total \$1,071,006



DOC Pharmacy	46.09%
HSC Other	37.16%
Prescription Drug Plan	13.49%
Medical Faculty	3.26%

Human Services Center

Service Delivery:

- **Each patient is assigned a psychiatrist who is responsible for coordination of treatment.**
- **Treatment teams are used to plan, implement, and evaluate treatment and include:**
 - Patient and his/her family and/or significant others
 - Psychiatrist
 - Nurse
 - Social Worker
- **Discharge planning and arrangements for aftercare.**

Human Services Center

HSC Staffing:

- **Total HSC Budgeted Full Time Equivalent Staff - 566.0 FTE**
 - Nurses - 98.0 FTE
 - Counselors - 81.5 FTE
 - Mental Health Technicians/Aides - 176.5 FTE
 - Social Workers - 16.0 FTE
 - Medical Professionals - 25.5 FTE
 - Facility Operations - 48.5 FTE
 - Administration - 57.0 FTE
 - Other - 63.0 FTE
- **Turnover Rate**
 - SFY14 percent of direct care staff 21.3%
 - SFY14 percent of total turnover 18.8%

Human Services Center

HSC Administration:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	57.0	\$3,475,982	\$1,027,404	\$197,225	\$4,700,611

- **Administrative Services to operate HSC**
 - Administration
 - Business Office
 - Warehouse
 - Admissions
 - Medical Records
 - Utilization Review
 - Education
 - Support Services

Human Services Center

Admissions:

- **1,848 admissions in FY14**
 - Voluntary admissions (not court or board ordered) – 15%.
 - Involuntary admissions – 85%.
- **Types of admissions**
 - Adult acute – 1,397 individuals.
 - Adult substance abuse – 195 individuals.
 - Adolescent psychiatric – 188 individuals.
 - Adolescent substance abuse – 64 individuals.
 - Geriatric psychiatric – 4 individuals.
- **Funding Sources**
 - Medicaid for individuals under 18 and over 65 in age
 - Medicare
 - Private insurance
 - General funds

Human Services Center

Admissions:

- Federal fund revenue change as result of fewer Medicaid and Medicare eligible residents.

- 1.4% fewer Medicaid/Medicare residents.
- FY16 Recommended Budget Increase:

General Funds	Federal Funds	Other Funds	Total
\$263,386	(\$263,386)	\$0	\$0

- **Primary diagnosis at time of discharge:**
 - Depressive Disorders – 19.37%.
 - Schizophrenic Disorders – 18.17%.
 - Episodic Mood Disorders – 8.92%.
 - Alcohol/Substance Dependence Syndrome – 20.73%.
 - All other diagnosis – 32.81%.
- **FY14 average cost per day: \$508.40.**

Human Services Center

Inpatient Psychiatric Treatment:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	266.0	\$11,950,194	\$4,545,795	\$0	\$16,495,989

- **Psychiatric Treatment (SFY14)**

- **Adult Services**

- Acute Services – 68 beds.
 - SFY14 Average length of stay – 14 days.
 - SFY14 Average total cost per day: \$601.34.
- Long Term Services – 66 beds.
 - SFY14 Average length of stay – 290 days.
 - SFY14 Average total cost per day: \$424.45.

- **Adolescent Services**

- Acute, Intermediate, and Long Term – 54 beds.
 - SFY14 Average length of stay – 35 days.
 - SFY14 Average total cost per day: \$576.65.
- School operated on site for youth – approved educational program.

Human Services Center

Inpatient Substance Abuse Treatment:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	48.0	\$2,375,683	\$706,802	\$0	\$3,082,485

- **Substance Abuse Treatment (SFY14)**
 - **Adult Services – 24 Beds**
 - SFY14 Average length of stay – 26 days.
 - SFY14 Average total cost per day: \$471.65.
 - **Adolescent Services – 20 Beds**
 - Accredited by Commission on Accreditation of Rehabilitation Facilities (CARF).
 - SFY14 Average length of stay – 68 days.
 - SFY14 Average total cost per day: \$508.09.

Human Services Center

Geriatric Services:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	91.0	\$4,311,972	\$1,218,554	\$0	\$5,530,526

- **Geriatric Psychiatric Treatment – 69 beds**
 - 5-star rated nursing facility.
 - SFY14 Average length of stay in – 474 days.
 - SFY14 Average total cost per day: \$477.69.
 - Working with community nursing facilities to develop the capacity to serve individuals with dementia and challenging behaviors in the community.
 - HSC consulting team to provide psychiatric review/consultation to nursing facilities.
 - Training to community nursing facilities.

Human Services Center

Clinical Services:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	55.5	\$5,817,618	\$2,917,427	\$673,033	\$9,408,078

- **Provide medical services on site whenever possible:**

- Nursing
- Laboratory
- Specialty Clinic
- Radiology
- Dental
- Speech Therapy
- Medical Services
- Psychology
- Pharmacy

- **Medical and Hospital Supplies within service areas at HSC:**

- Cost increases in medical supplies and hospital supplies.
- FY16 Recommended Budget Increase:

General Funds	Federal Funds	Other Funds	Total
\$218,839	\$0	\$0	\$218,839

Human Services Center

Facility Operations:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	48.5	\$4,033,473	\$1,614,058	\$200,748	\$5,848,279

- **Plant Operations**

- Utilities based on utilization and projected utility rates from the Office of State Engineer.

- FY15 General Bill Amendment (SB55) increase:

General Funds	Federal Funds	Other Funds	Total
\$230,642	\$0	\$0	\$230,642

- FY16 Recommended Budget increase:

General Funds	Federal Funds	Other Funds	Total
\$325,147	\$0	\$0	\$325,147

- **Laundry**
- **Custodial**
- **Security**
- **Food Service**

- Use Department of Corrections trustees for labor.
- HSC provides meals for trustees.

Human Services Center

Outcomes:

- **Patient Satisfaction Surveys (compared to Western Psychiatric State Hospital Association average).**

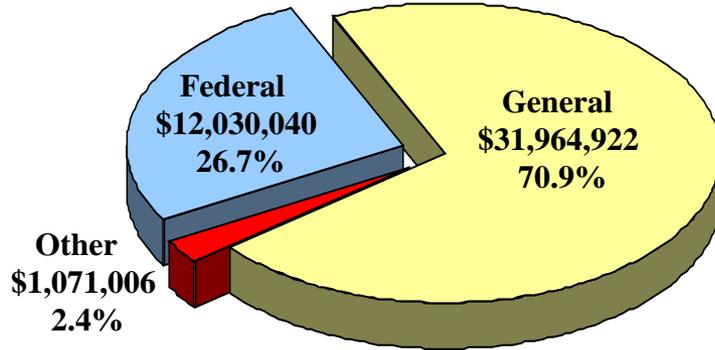
- Patient Dignity (82.8% HSC : 77.0% WPSHA)
- Patient Rights (65.4% HSC : 51.0% WPSHA)
- Care Environment (72.2% HSC : 64.0% WPSHA)
- Patient Outcomes (73.9% HSC : 71.0% WPSHA)
- Patient Participation (74.2% HSC : 62.0% WPSHA)

*Survey based on 2014 data

Human Services Center

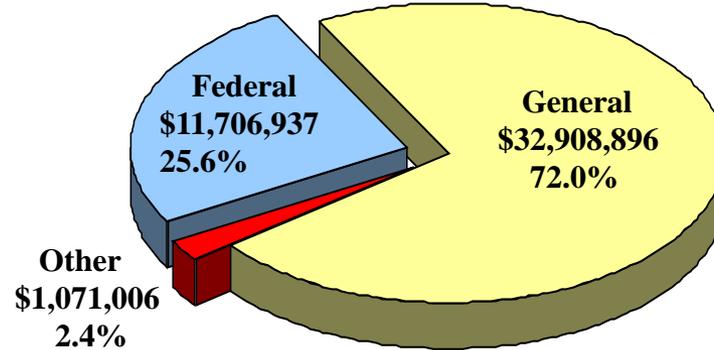
FY15 Budget Compared to FY16

FY15 Operating Budget



Total: \$45,565,993 and 566.0 FTE

FY16 Recommended Budget



Total: \$45,686,839 and 566.0 FTE

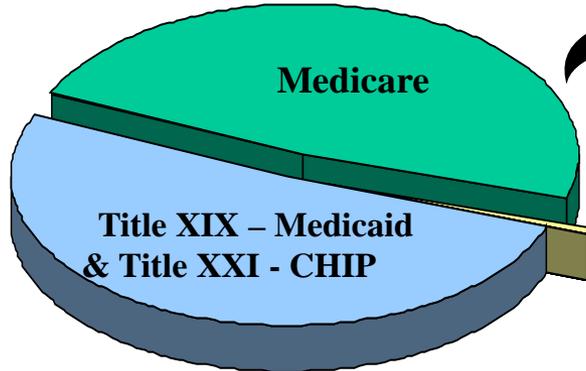
MAJOR BUDGET INCREASES AND DECREASES

	GENERAL	FEDERAL	OTHER	TOTAL
FMAP - Federal Medical Assistance Percentage:	\$59,717	(\$59,717)	\$0	\$0
Inflation: Inflation for prescription drugs and medical consultants.	\$42,832	\$0	\$0	\$42,832
Utility Costs: Based on utilization and projected rates from the Office of the State Engineer and water rate increases.	\$325,147	\$0	\$0	\$325,147
Other: Medical supplies, hospital supplies, and Worker's Compensation change. Includes federal revenue adjustment.	\$516,278	(\$263,386)	\$0	\$252,892
Totals:	\$943,974	(\$323,103)	\$0	\$620,871

Human Services Center

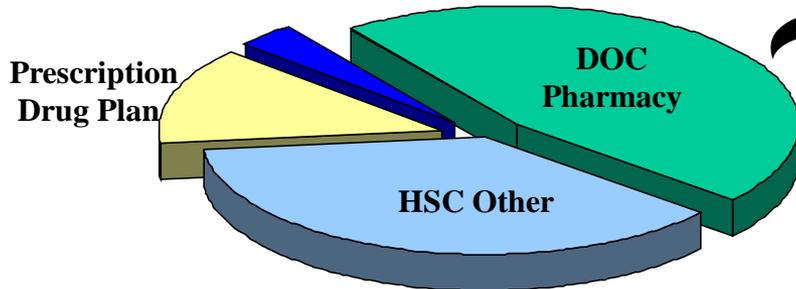
FY16 Funding Sources

Federal Fund Sources – Total \$11,706,937



Medicaid & CHIP	51.18%
Medicare	48.06%
National School Lunch	0.76%

Other Fund Sources – Total \$1,071,006



DOC Pharmacy	46.09%
HSC Other	37.16%
Prescription Drug Plan	13.49%
Medical Faculty	3.26%

Department of Social Services



Division of Behavioral Health

Community Behavioral Health

Who We Serve:

- **Children with serious emotional disturbance.**
- **Adults with serious mental illness.**
- **Adolescents and adults with substance use disorders.**
- **Youth and young adults in need of prevention services.**

Services Provided:

- **Individual, family, and group therapy.**
- **Case management.**
- **Assessment and evaluation.**
- **Crisis assessment and intervention.**
- **Psychiatric services.**
- **Inpatient and outpatient substance abuse treatment services.**
- **Prevention services.**

Services Eligibility:

- **Income limit:** 185% of the federal poverty level (\$44,123 annually for a family of four).

Community Behavioral Health

Service Delivery:

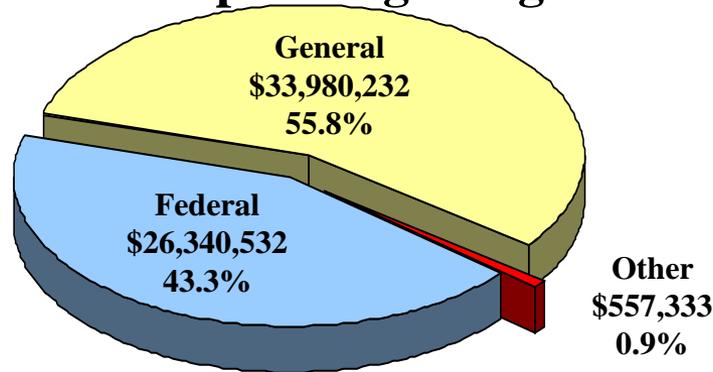
- **Contracts with 11 accredited community mental health centers.**
- **Contracts with 42 accredited substance abuse and prevention providers.**

Numbers Served:

- **15,835 individuals served annually through community mental health centers.**
- **12,954 individuals served annually through substance abuse providers.**

Community Behavioral Health

FY15 Operating Budget:



Total: \$60,878,097 and 19.0 FTE

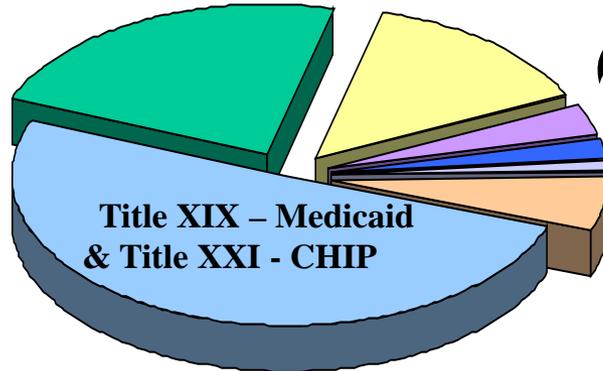
FY15 Major Budget Areas:

	FTE	General	Federal	Other	Total
Community Behavioral Health Administration and Field Staff	19.0	\$1,320,865	\$605,302	\$170,417	\$2,096,584
Serious Emotional Disturbance (SED) - Mental Health	0.0	\$4,779,320	\$5,422,189	\$0	\$10,201,509
Comprehensive Assistance with Recovery and Empowerment (CARE) - Mental Health	0.0	\$9,331,985	\$2,992,157	\$0	\$12,324,142
Outpatient and Emergency Services -Mental Health	0.0	\$1,652,621	\$742,977	\$0	\$2,395,598
Projects for Assistance in Transition from Homelessness (PATH) - Mental Health	0.0	\$0	\$288,000	\$0	\$288,000
Individualized Mobile Programs of Assertive Community Treatment (IMPACT) - Mental Health	0.0	\$3,477,731	\$1,517,072	\$0	\$4,994,803
All Others - Mental Health	0.0	\$622,917	\$425,192	\$0	\$1,048,109
Treatment Services -Substance Abuse	0.0	\$7,441,485	\$4,653,392	\$275,281	\$12,370,158
Title XIX Services - Substance Abuse	0.0	\$2,654,733	\$3,010,224	\$0	\$5,664,957
Criminal Justice Initiative (CJI) - Substance Abuse	0.0	\$2,698,575	\$0	\$0	\$2,698,575
Prevention	0.0	\$0	\$6,684,027	\$111,635	\$6,795,662
Total Community Behavioral Health	19.0	\$33,980,232	\$26,340,532	\$557,333	\$60,878,097
Personal Services	19.0	\$882,540	\$452,861	\$4,402	\$1,339,803
Operating Expense	0.0	\$33,097,692	\$25,887,671	\$552,931	\$59,538,294
Total Community Behavioral Health	19.0	\$33,980,232	\$26,340,532	\$557,333	\$60,878,097

Community Behavioral Health

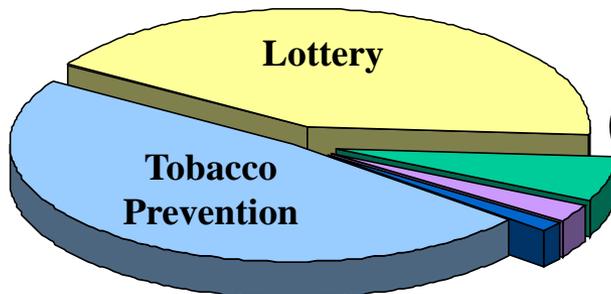
FY15 Funding Sources

Federal Fund Sources – Total \$26,340,532



Medicaid & CHIP	50.53%
Substance Abuse Prevention & Treatment	22.71%
Strategic Prevention Framework	14.36%
Community Mental Health Block Grant	3.36%
TANF	2.03%
Projects for Assistance in Transition from Homelessness (PATH)	1.12%
Other Fund Sources	5.89%

Other Fund Sources – Total \$557,333



Tobacco Prevention	47.71%
Lottery	42.17%
Deadwood Gaming	6.28%
Alcohol & Drug Other	2.58%
QMHP Fees	1.26%

Community Behavioral Health

Community Behavioral Health Administration:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	19.0	\$1,320,865	\$605,302	\$170,417	\$2,096,584

- **19.0 FTE located in Pierre, Sioux Falls, and Deadwood.**
 - Conduct provider accreditations.
 - Manage contracts with community providers.
 - Manage the indigent medication program.
 - Review of individuals with mental illness going into nursing facilities.
 - Review of individuals referred for IMPACT and inpatient substance abuse treatment services.
 - Provide training to Qualified Mental Health Professionals (QMHP).
 - Provide training to law enforcement academy participants.

Community Behavioral Health

Outpatient and Emergency Services – Mental Health:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$1,652,621	\$742,977	\$0	\$2,395,598

- **Outpatient Services-** mental health services provided to individuals who do not meet full serious emotional disturbance (SED) or serious mental illness (SMI) criteria.
- **Emergency Services-** available 24/7 for persons experiencing a mental health emergency or crisis.

SFY14 Numbers Served:

- 4,213

Community Behavioral Health

Projects for Assistance in Transition from Homelessness (PATH) –Mental Health:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$0	\$288,000	\$0	\$288,000

- **Projects for Assistance in Transition from Homelessness (PATH) –** federal grant to provide community-based outreach, mental health and substance abuse services, case management, and limited rental/security deposit assistance.
 - 8 of the 11 CMHCs participate.

Eligibility:

- Individuals who are homeless or at imminent risk of becoming homeless.

FFY13 Numbers Served:

- 565

Community Behavioral Health

Serious Emotional Disturbance (SED)- Mental Health:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY 15 Budget	-	\$4,779,320	\$5,422,189	\$0	\$10,201,509

- **Serious Emotional Disturbance (SED)** – comprehensive, community based services provided to children under the age of 18 who meet the SED criteria.

Eligibility:

- Mental health disorder diagnosis.
- Functional impairment.
- Demonstrated need for services in addition to mental health services.

SFY14 Numbers Served:

- 5,394

Community Behavioral Health

Comprehensive Assistance with Recovery & Empowerment (CARE) – Mental Health:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$9,331,985	\$2,992,157	\$0	\$12,324,142

- **Comprehensive Assistance with Recovery and Empowerment (CARE)-** person-centered, recovery-focused services providing medically necessary related mental health treatment, rehabilitative, and support services to adults meeting Serious Mental Illness (SMI) criteria.

Eligibility:

- Mental health disorder diagnosis.
- Functional impairment.
- Demonstrated need for services in addition to mental health services.

SFY14 Numbers Served:

- 5,987

Community Behavioral Health

Individualized Mobile Programs of Assertive Community Treatment (IMPACT) – Mental Health:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$3,477,731	\$1,517,072	\$0	\$4,994,803

- **Individualized Mobile Programs of Assertive Community Treatment (IMPACT)**- highest level of outpatient treatment for adults meeting SMI criteria who can't be served in less restrictive services. Evidence-based practice- intensive level of services with a team approach to treatment and the total number served is capped.

Eligibility:

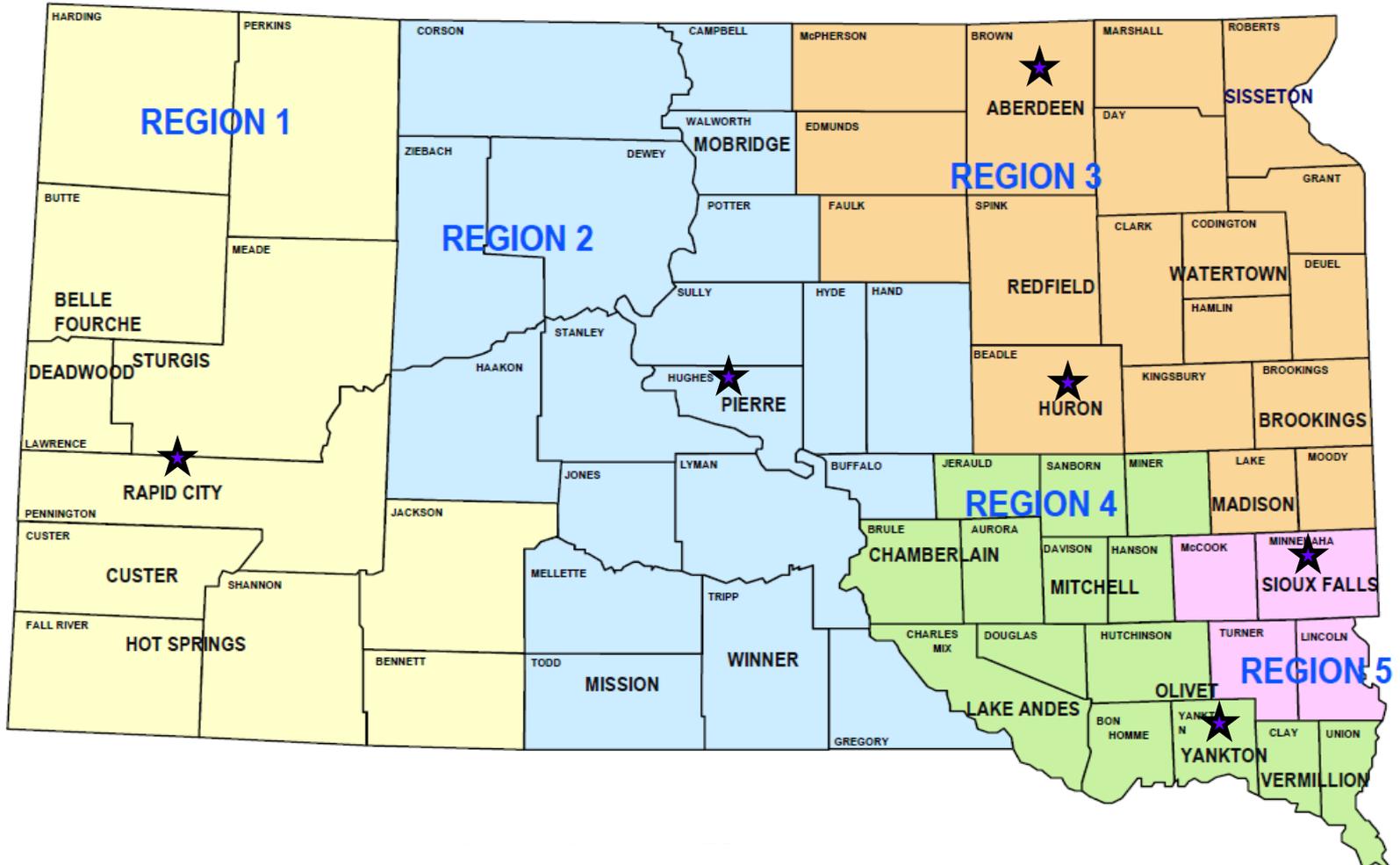
- Same as CARE along with no other appropriate community-based services available, multiple psychiatric hospitalizations or other inpatient/residential services.

SFY14 Numbers Served:

- 241

Community Behavioral Health

Current IMPACT Program Locations



Community Behavioral Health

Transitions Program:

- **Transitions Program-** mental health and housing services to assist young adults with mental illness as they transition back to the community from out-of-home placements. Program serves up to 12 individuals.

Eligibility:

- Mental health disorder diagnosis.
- Unable to live independently and lack natural supports.
- Demonstrated need for specialized mental health services and housing supports/independent living services.

Community Behavioral Health

Treatment Services – Substance Abuse:

	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	-	\$7,441,485	\$4,653,392	\$275,281	\$12,370,158

- **Inpatient Services** – residential services that provide a medically-monitored and structured intensive treatment program.
 - FY14 Numbers Served – 595.
- **Outpatient Services** – early intervention, assessment services, individual and group counseling.
 - FY14 Numbers Served – 9,322.
- **Low Intensity Services** – services in a residential setting that include individual and group counseling, family counseling and education for family members, and case management.
 - FY14 Numbers Served – 1,121.

Community Behavioral Health

Low-Intensity (Halfway House) FY16 Expansion:

- **Low Intensity Services – Expansion for unmet needs**

- FY16 Recommended Budget increase:

General Funds	Federal Funds	Other Funds	Total
\$192,032	\$0	\$0	\$192,032

- Funding to support 63 individuals.
- Allows services to residents to maintain employment and community supports while residing in a sober living environment. Intent is to assist the resident as they transition into their own sober living environment.
- Average wait time to enter this level of care is 33 days.
- As they wait they may need higher level of care which is more expensive.

- **Low Intensity Services – Rate Adjustment**

- FY16 Recommended Budget increase:

General Funds	Federal Funds	Other Funds	Total
\$300,000	\$0	\$0	\$300,000

- Current rate does not support the cost to provide this level of care. Rate pressure resulting in providers reducing capacity for this level of care.
- Rate adjustment from \$41.63 to \$47.77 (per 15 min) to align with 2010 costs.

Community Behavioral Health

Treatment Services – Substance Abuse - continued:

- **Specialized substance abuse treatment for individuals with methamphetamine dependence.**
 - FY14 Numbers Served – 215
- **Detoxification Services**
 - FY14 Numbers Served – 1,612
- **Gambling Services**
 - FY14 Numbers Served – 89

Community Behavioral Health

Title XIX Services– Substance Abuse:

	General	Federal	Other	Total	
FTE	Funds	Funds	Funds	Funds	
FY15 Budget	-	\$2,654,733	\$3,010,224	\$0	\$5,664,957

- **Medicaid funding for substance abuse services is limited to pregnant women & adolescents.**
 - **Outpatient Services** – early intervention, assessment services, individual and group counseling.
 - **Inpatient Services** – residential services that provide a medically-monitored and structured intensive treatment program.
 - **Low Intensity Services** – services in a residential setting that include individual and group counseling, family counseling and education for family members, and case management.

Community Behavioral Health

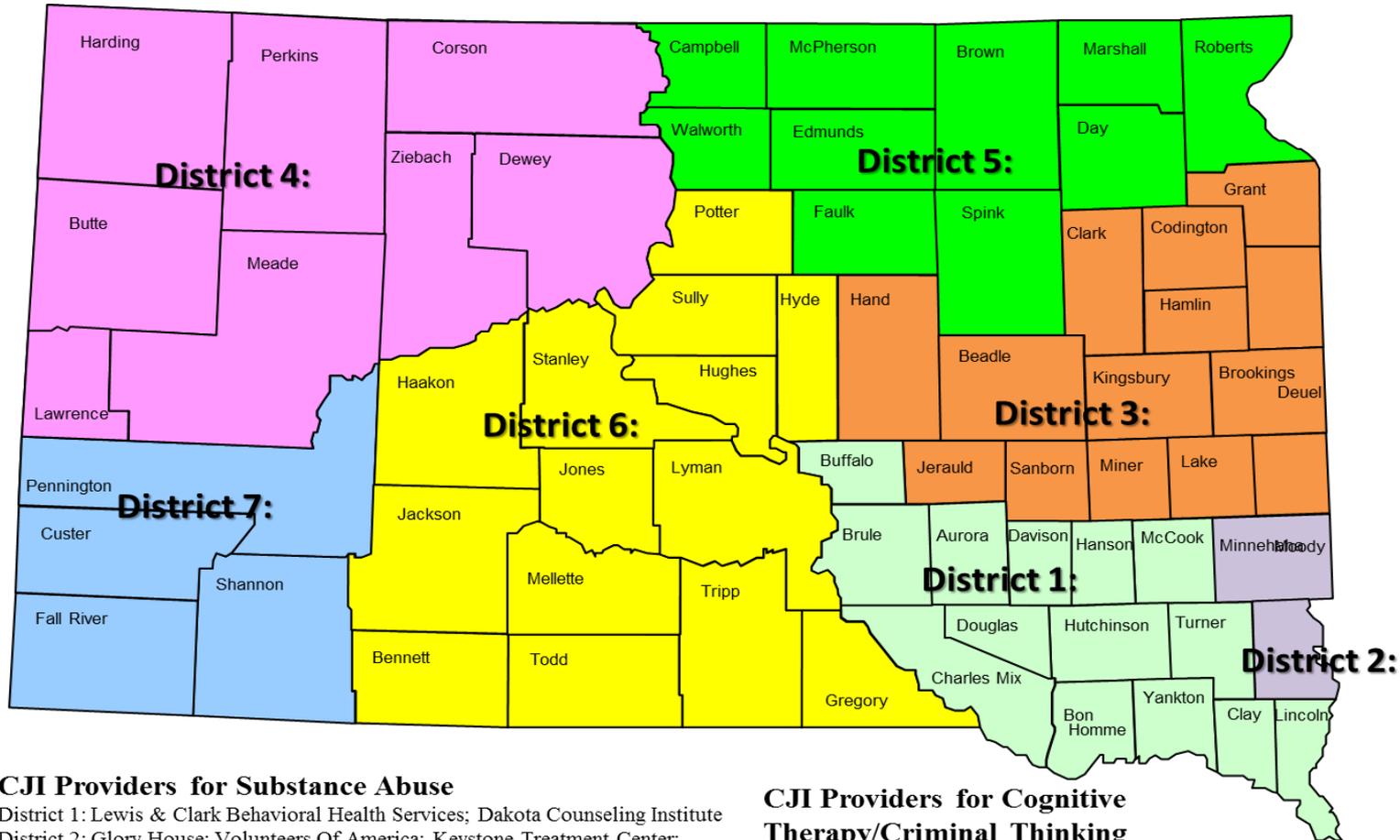
Criminal Justice Initiative (CJI) – Substance Abuse:

	General	Federal	Other	Total	
FTE	Funds	Funds	Funds	Funds	
FY15 Budget	-	\$2,698,575	\$0	\$0	\$2,698,575

- **Substance abuse treatment services targeted to people in the criminal justice system.**
- **DSS worked with UJS and DOC to develop referral process.**
 - Substance abuse services for 500 new individuals on probation and parole. (CBISA Cognitive Behavioral Interventions for Substance Abuse)
 - January 2014 started receiving referrals and providing services.
 - In FY14, received 271 referrals. (CBISA)
 - Cognitive behavioral therapy to address criminal thinking. (MRT Moral Reconciliation Therapy)
 - Rural pilot program.
 - Substance abuse treatment services for 100 individuals.
- **Provided 9 trainings to CJI providers on the evidence-based programming.**

Community Behavioral Health

SD Public Safety Improvement Act - Districts:



CJI Providers for Substance Abuse

- District 1: Lewis & Clark Behavioral Health Services; Dakota Counseling Institute
- District 2: Glory House; Volunteers Of America; Keystone Treatment Center; Carroll Institute
- District 3: Community Counseling Services; Human Services Agency; Lutheran Social Services
- District 4: Compass Point
- District 5: Avera St. Lukes
- District 6: Capital Area Counseling
- District 7: City/County Alcohol & Drug Program; Addiction Recovery Center

CJI Providers for Cognitive Therapy/Criminal Thinking

- District 1: Lutheran Social Services
- District 2: Volunteers Of America
- District 3: Lutheran Social Services
- District 4: Compass Point
- District 5: VOA
- District 6: VOA
- District 7: City/County Alcohol & Drug Program

Community Behavioral Health

Juvenile Justice Reinvestment Initiative (JJRI) – FY16:

- **FY16 Recommended Budget \$2,930,540.**
- **Launched in June 2014 by Governor Daugaard, Chief Justice Gilbertson, President Pro Tempore Brown, and Speaker Gosch.**
- **Created to assess the state’s performance in juvenile justice.**
- **Work Group Goals:**
 - Increase public safety by improving outcomes for youth and families and reducing juvenile recidivism;
 - Effectively hold juvenile offenders more accountable; and
 - Reduce juvenile justice costs by investing in proven community-based practices and preserving residential facilities for serious offenders.
- **The JJRI Work Group Recommendations:**
 - Focus expensive residential placements on youth who are a public safety risk;
 - Prevent deeper involvement in the juvenile justice system for youth committing lower level offenses;
 - Improve outcomes by expanding access to evidence-based community interventions; and
 - Ensure the quality and sustainability of reforms.

Community Behavioral Health

Juvenile Justice Reinvestment Initiative (JJRI) – FY16:

Juvenile Justice Reinvestment Initiative (DSS)	General Funds
Community Based Interventions	2,318,940
Functional Family Therapy Training	331,000
Quality Assurance Monitoring	150,000
Rate Enhancement for Rural Providers	83,000
Crisis Intervention Resident Services	47,600
TOTAL	2,930,540

- **Next Steps:**
 - Create stakeholder workgroup to examine possible options related to evidence-based mental health and substance abuse services.
 - Similar process as that used for adult Criminal Justice Initiative.

Community Behavioral Health

Prevention Services:

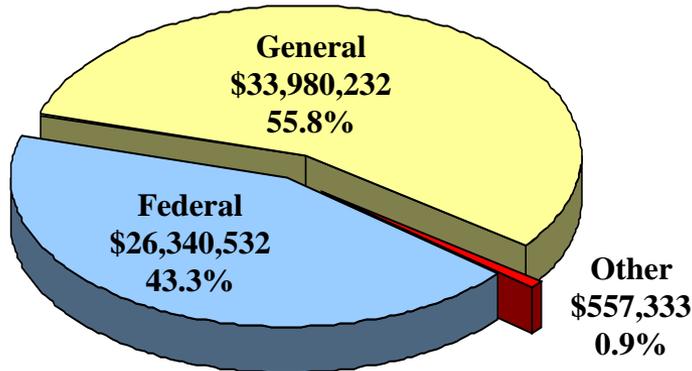
	FTE	General Funds	Federal Funds	Other Funds	Total Funds
FY15 Budget	0.0	\$0	\$6,684,027	\$111,635	\$6,795,662

• **Prevention Services**

- 23 prevention coalitions/providers across the state.
 - Provide direct prevention services.
- 3 prevention resource centers.
 - Provide training and assistance on evidence-based programs to the coalitions.
- Evidence-based prevention services in communities and schools.
 - Lifeskills Training (school based curriculum).
 - Project Success (school based curriculum).
 - Strengthening Families Program.
 - Brief Alcohol Screening and Intervention for college students.
 - Communities Mobilizing for a Change on Alcohol.
 - PRIME For Life.
- Tobacco compliance surveys of retailers selling tobacco products.
 - Federal requirement to maintain compliance rate below 20%.
 - SD's rate – 2.5%.

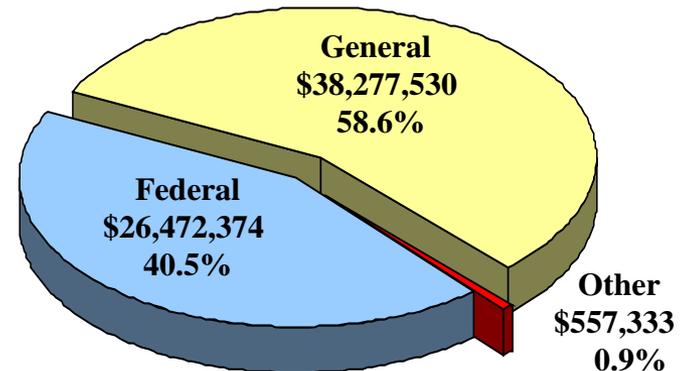
Community Behavioral Health FY15 Budget Compared to FY16

FY15 Operating Budget



Total: \$60,878,097 and 19.0 FTE

FY16 Recommended Budget



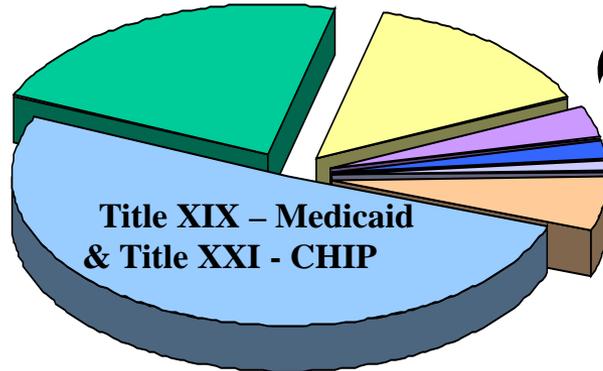
Total: \$65,307,237 and 19.0 FTE

MAJOR BUDGET INCREASES AND DECREASES

	GENERAL	FEDERAL	OTHER	TOTAL
FMAP - Federal Medical Assistance Percentage:	\$113,378	(\$113,378)	\$0	\$0
Inflation: Community Behavioral Health Providers, etc.	\$759,348	\$245,220	\$0	\$1,004,568
Alcohol and Drug Low Intensity Program (Halfway House): Expansion to serve 63 individuals.	\$194,032	\$0	\$0	\$194,032
Alcohol and Drug Low Intensity Program (Halfway House): Address rate issues.	\$300,000	\$0	\$0	\$300,000
Juvenile Justice Reinvestment Initiative: Funding is for the various components of the Juvenile Justice Reinvestment Initiative.	\$2,930,540	\$0	\$0	\$2,930,540
Totals:	\$4,297,298	\$131,842	\$0	\$4,429,140

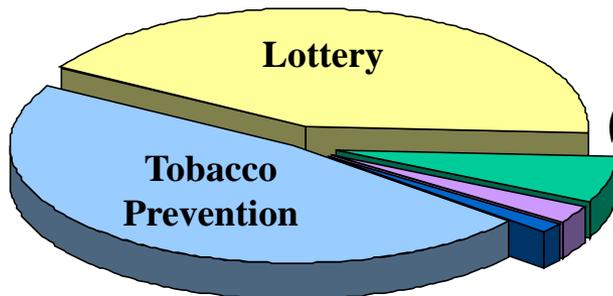
Community Behavioral Health FY16 Funding Sources

Federal Fund Sources – Total \$26,472,374



Medicaid & CHIP	50.77%
Substance Abuse Prevention & Treatment	22.60%
Strategic Prevention Framework	14.29%
Community Mental Health Block Grant	3.35%
TANF	2.02%
Projects for Assistance in Transition from Homelessness (PATH)	1.11%
Other Fund Sources	5.86%

Other Fund Sources – Total \$557,333



Tobacco Prevention	47.71%
Lottery	42.17%
Deadwood Gaming	6.28%
Alcohol & Drug Other	2.58%
QMHP Fees	1.26%

Correctional Behavioral Health

Who We Serve:

- **Inmates with mental health needs**
 - Approximately 1/2 of incoming inmates are assessed as having some degree of mental health issues.
 - Approximately 1/3 of incoming inmates require on-going mental health supports.
 - 3.6 % of the total inmate population is identified with a serious mental illness.

Services Provided:

- **Mental health & substance abuse treatment services within the state's correctional facilities.**

Service Delivery:

- **Within adult and juvenile correctional facilities in South Dakota.**

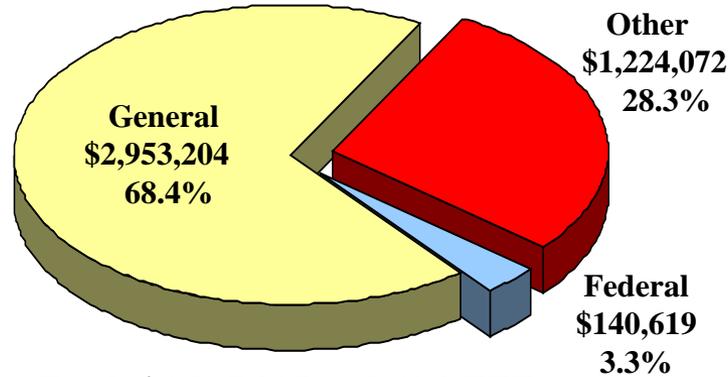
Correctional Behavioral Health

Services Provided:

- **Assessment and evaluation.**
- **Crisis assessment and intervention.**
- **Psychiatric services – contracted services.**
- **Evidence based substance abuse treatment services.**
- **Evidence based programs for individuals with mental illness.**
- **Transition coordination for offenders with severe mental illness and/or substance abuse disorders when they return to the community.**
- **Behavioral health training for staff who work in the correctional facilities.**

Correctional Behavioral Health

FY15 Operating Budget:



Total: \$4,317,895 and 62.0 FTE

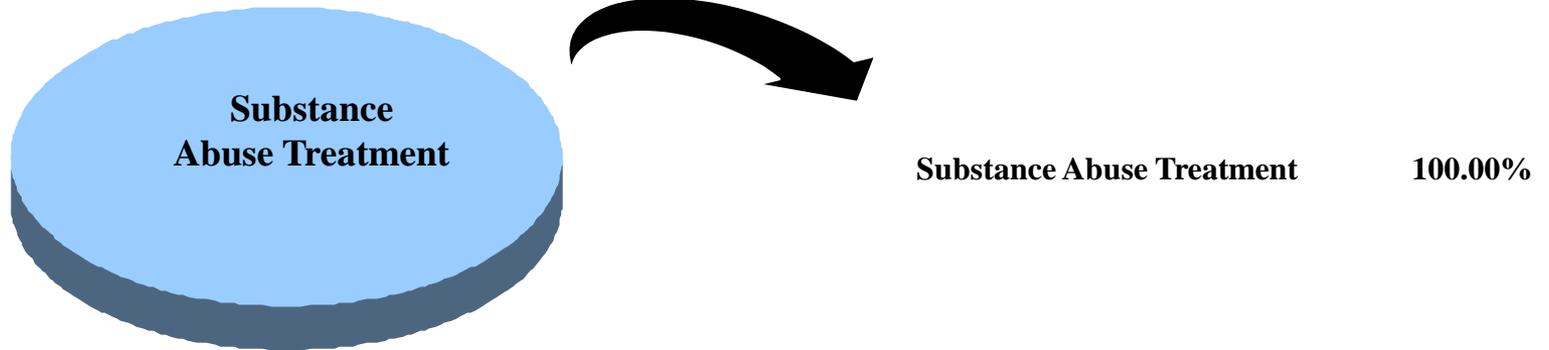
FY15 Major Budget Areas:

	FTE	General	Federal	Other	Total
Mental Health	18.0	\$479,587	\$0	\$1,224,072	\$1,703,659
Adult Facilities	16.0	\$264,218	\$0	\$1,224,072	\$1,488,290
Adolescent Facilities	2.0	\$215,369	\$0	\$0	\$215,369
Substance Abuse	44.0	\$2,473,617	\$140,619	\$0	\$2,614,236
Adult Facilities	35.0	\$2,059,475	\$0	\$0	\$2,059,475
Adolescent Facilities	9.0	\$414,142	\$140,619	\$0	\$554,761
Total Correctional Behavioral Health	62.0	\$2,953,204	\$140,619	\$1,224,072	\$4,317,895
Personal Services	62.0	\$2,541,845	\$133,664	\$931,667	\$3,607,176
Operating Expense	0.0	\$411,359	\$6,955	\$292,405	\$710,719
Total Correctional Behavioral Health	62.0	\$2,953,204	\$140,619	\$1,224,072	\$4,317,895

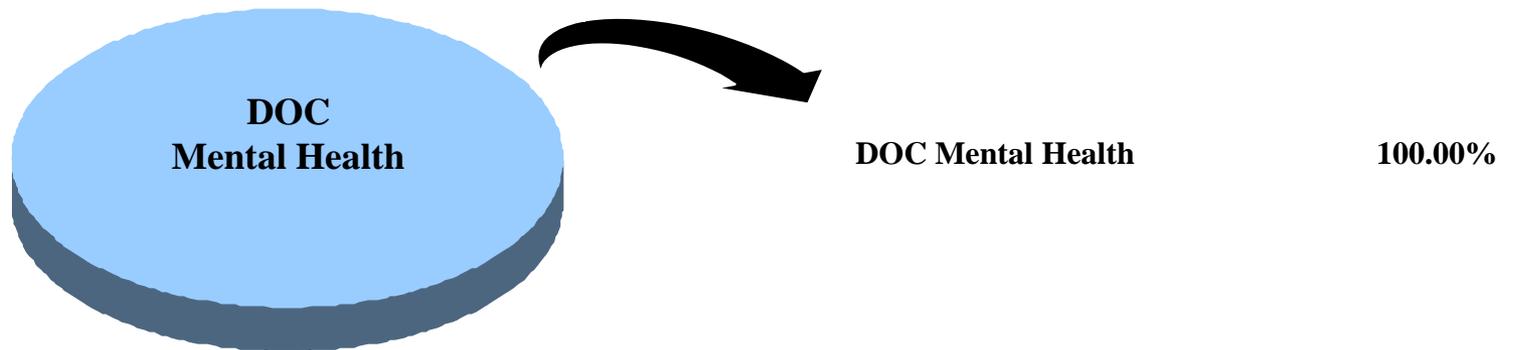
Correctional Behavioral Health

FY15 Funding Sources

Federal Fund Sources – Total \$140,619



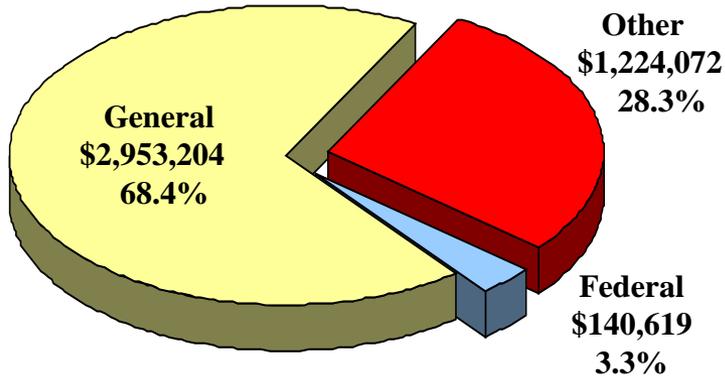
Other Fund Sources – Total \$1,224,072



Correctional Behavioral Health

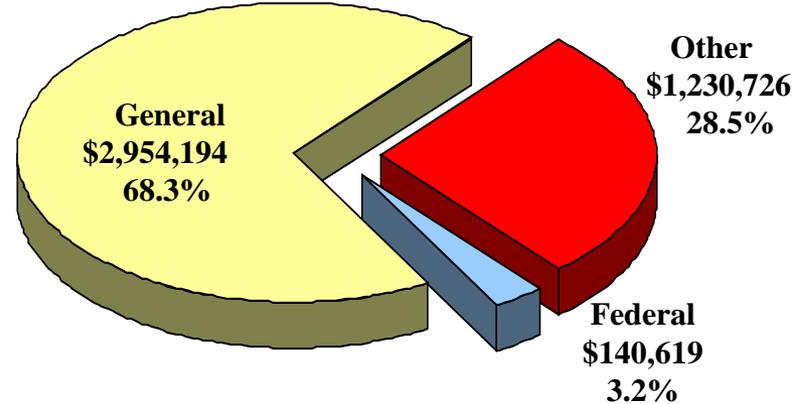
FY15 Budget Compared to FY16

FY15 Operating Budget



Total: \$4,317,895 and 62.0 FTE

FY16 Recommended Budget



Total: \$4,325,539 and 62.0 FTE

MAJOR BUDGET INCREASES AND DECREASES

	GENERAL	FEDERAL	OTHER	TOTAL
Inflation: Psychiatric Consultants.	\$990	\$0	\$6,654	\$7,644
Totals:	\$990	\$0	\$6,654	\$7,644

Correctional Behavioral Health

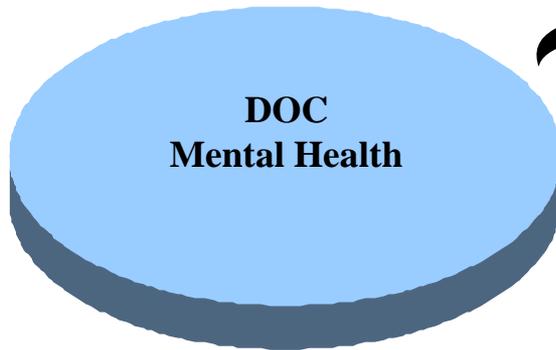
FY16 Funding Sources

Federal Fund Sources – Total \$140,619



Substance Abuse Treatment 100.00%

Other Fund Sources – Total \$1,230,726



DOC Mental Health 100.00%

Department of Social Services

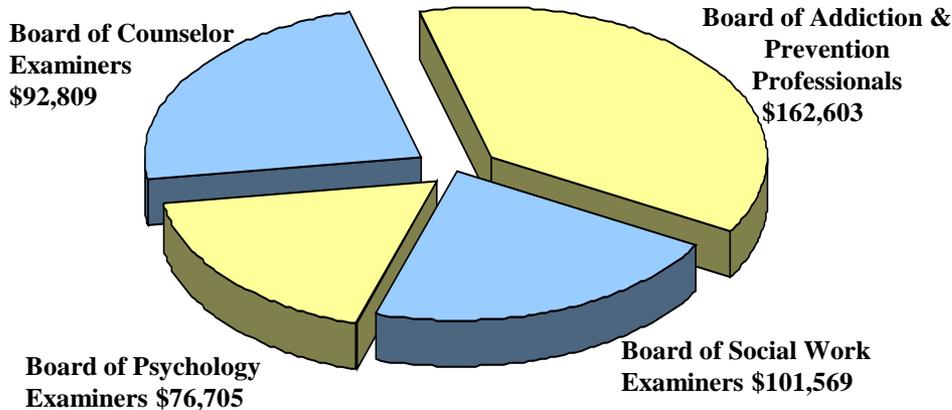


BOARDS - Informational

Boards - Informational

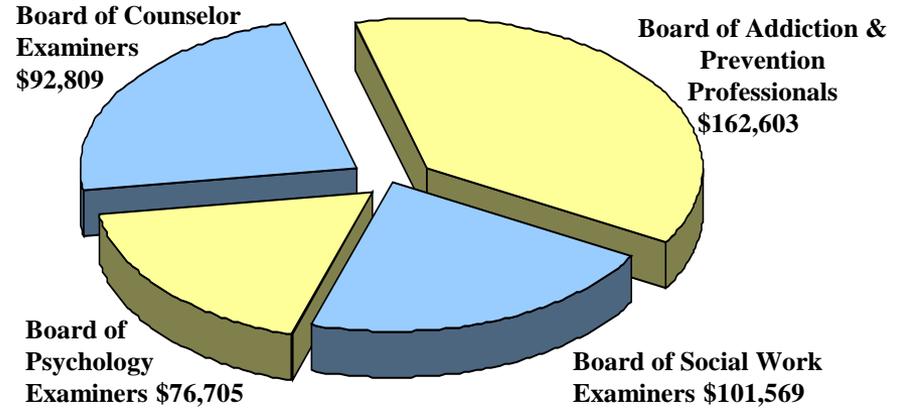
FY15 Budget Compared to FY16

FY15 Operating Budget



Total: \$433,686 and 1.3 FTE

FY16 Recommended Budget



Total: \$433,686 and 1.3 FTE

MAJOR BUDGET INCREASES AND DECREASES

GENERAL FEDERAL OTHER TOTAL

	GENERAL	FEDERAL	OTHER	TOTAL
Board of Counselor Examiners:	\$0	\$0	\$0	\$0
Board of Psychology Examiners:	\$0	\$0	\$0	\$0
Board of Social Work Examiners:	\$0	\$0	\$0	\$0
Board of Addiction & Prevention Professionals:	\$0	\$0	\$0	\$0
Totals:	\$0	\$0	\$0	\$0

Department of Social Services

FY15 General Bill Amendments (SB55)

	General Funds	Federal Funds	Other Funds	Total
Medicaid Eligibles	(\$2,647,655)	(\$601,422)	\$0	(\$3,249,077)
Child Care Subsidies	(\$867,854)	(\$1,700,000)	\$0	(\$2,567,854)
Psychiatric Residential Treatment Services	(\$428,227)	(\$456,905)	\$0	(\$885,132)
HSC Utilities	\$230,642	\$0	\$0	\$230,642
Totals	(\$3,713,094)	(\$2,758,327)	\$0	(\$6,471,421)

Department of Social Services

FY15 Special Appropriation Recommended

Provider Direct Care Workforce Funding

	General Funds	Federal Funds	Other Funds	Total
DSS	\$2,926,732	\$1,863,190	\$0	\$4,789,922

- Governor Daugaard’s recommended budget includes one-time funding targeted for direct care workers of community based service providers.
- Direct care workers – nursing and personal care assistants, residential aids, behavioral health aids, etc. provide hands on care in our nursing homes, assisted living centers, residential treatment, behavioral health, and to the elderly and disabled in their homes.
- Retention and recruitment of front line staff is critical to support these community based services that enable individuals to reside in their homes and communities.
- This one-time funding is targeted for recruitment and retention of direct care workforce. Funding can be used to support recruitment or retention incentives to attract and retain direct care workers.

Department of Social Services

FY15 Special Appropriation Recommended - continued

- Community based services providers can utilize funding for recruitment or retention incentives such as:
 - sign on bonuses
 - employment referral bonuses
 - reimbursement for tuition or loan repayment
 - payment of certification and training fees required for employment
 - retention payments based on successful employment
- Funding will be distributed to providers prior to June 30, 2015 and providers must report back to DSS by May 30, 2016 as to how the funding was utilized.
- Individual facility payments will be based on the volume of services funded by the state and equate to about 1.5% one-time increase on FY15 reimbursement rates.

Provider Direct Care Workforce Funding:

Long Term Care (Nursing Home, Hospice, Assisted Living)
Elderly Nutrition Program - Senior Meals
In-Home Services for the Elderly
Victims Services
Residential Treatment for Youth
Community Behavioral Health - Substance Abuse & Mental Health Centers
Auxiliary Placement
DSS TOTAL

FY15 One-Time - Gov Rec.		
General Funds	Federal Funds	Total Funds
1,366,212	1,458,878	2,825,090
75,973	-	75,973
157,525	39,738	197,263
59,189	-	59,189
509,530	182,531	692,061
577,118	182,043	759,161
181,185	-	181,185
2,926,732	1,863,190	4,789,922