

State of South Dakota

NINETY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 2019

758B0772

HOUSE BILL NO. 1213

Introduced by: Representatives Cwach, Dennert, Diedrich, Duba, Johns, Lake, Lesmeister, McCleerey, Pourier, Rounds, Smith (Jamie), and Zikmund and Senators Nesiba and Heinert

1 FOR AN ACT ENTITLED, An Act to require a feasibility study and actuarial analysis on long-
2 term care services and supports.

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

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

5 The Department of Labor and Regulation shall contract for an independent feasibility study
6 and actuarial model of public, private, and public-private hybrid options to help persons prepare
7 for, access, and afford the long-term care services and supports they need. The study shall
8 include a report of findings and a model for all of the following:

9 (1) An affordable annual long-term care benefit available to all who meet the minimum
10 eligibility of needing assistance with two activities of daily living, with the maximum
11 benefit amount to be determined by an actuarial analysis;

12 (2) A public-private reinsurance or risk-sharing model, with the purpose of providing a
13 stable and ongoing source of reimbursement to insurers for a portion of their
14 catastrophic long-term care services and supports losses in order to provide



1 additional insurance capacity for the state; and

2 (3) A long-term care benefit paid for and open to those who are not currently eligible for
3 the state Medicaid program.

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

5 The report required in section 1 of this Act shall include all of the following:

6 (1) An analysis of public and private long-term care programs that exist in the state, the
7 participation rates for those programs, and any clear gap that exists, including gaps
8 in coverage, affordability, and participation;

9 (2) The expected cost and benefits for participants in a new long-term care benefit
10 program;

11 (3) The total anticipated number of participants;

12 (4) The impact on the current workforce;

13 (5) A recruitment and retention plan to meet anticipated shortages in the workforce due
14 to the increasing aging population;

15 (6) The projected savings to the state Medicaid program, if any; and

16 (7) Any legal and financial risks to the state.

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

18 The feasibility study and accompanying actuarial analysis required in section 1 of this Act
19 shall be completed and submitted to the Legislature and made available on the Department of
20 Labor and Regulation's website no later than December 15, 2019.