SOUTH DAKOTA BOARD OF SOCIAL SERVICES
Meeting Minutes
Tuesday, April 10, 2018
10:00 am – 2:00 pm CT
Dial in: 1-866-410-8397
Conference code: 986-314-4547
Kneip Building, 1st Floor Kneip Conference Room #3, Pierre

Board Members Present: Hugh Grogan; Kaye Neller; Steven Deming; Cecelia Fire Thunder; and Linda Wordeman.

Others Present: Lynne Valenti, Department of Social Services (DSS) Cabinet Secretary; Brenda Tidball-Zeltinger, DSS Deputy Secretary; Amy Iversen-Pollreisz, DSS Deputy Secretary; Carrie Johnson, Economic Assistance Division Director; David Gall, Energy and Weatherization Program Administrator; Bill Snyder, Medical Services Division Director; Tiffany Wolfgang, Behavioral Health Division Director; Marilyn Kinsman, DSS Senior Policy Analyst; and Jason Simmons, Budget Analyst, Legislative Research Council.

Call to Order and Declaration of Quorum: The meeting was called to order by Hugh Grogan, at 10:04 AM.

Approval of Minutes from the October 16, 2017 Board Meeting: Motion to approve minutes by Steve Deming, seconded by Kaye Neller. Motion carried.

Appointment of a Chair: Nominations for the appointment of a Board Chair were sought due to the resignation of the previous Chair, Julie Dvorak. Steve Deming nominated Hugh Grogan to fulfill the role of Board Chair, seconded by Kaye Neller. Motion carried. Members unanimously agreed that the Board Chair position should be reviewed annually for chair considerations.

Featured Division-Behavioral Health: The Division of Behavioral Health (DBH) employs 80 staff and is the Single State Agency for South Dakota providing both mental health and substance use disorder treatment services. 57 staff provide correctional behavioral health services while 23 staff provide community behavioral health services. DBH oversees the publically funded behavioral health services in South Dakota. Through a network of accredited and contracted substance use providers, the DBH provides a full continuum of mental health and substance use services. There are 11 private, non-profit Community Mental Health Centers (CMHCs) within South Dakota's community-based mental health delivery system. Primary populations include adults with serious mental illness (SMI) and children with serious emotional disturbances (SED) and their families, including those with co-occurring mental health and substance use disorders. In addition, DBH is the direct provider of behavioral health services in the state's prison facilities. Core services include outpatient mental health counseling services provided to individuals of all ages; Children, Youth and Family (CYF) Services which are specialized outpatient services (e.g. provide intense case management) and are provided to youth living with SED; Comprehensive Assistance with Recovery and Empowerment (CARE) Services for adults with SMI; and Individualized Mobile Program of Assertive Community Treatment (IMPACT) for adults living with SMI. There are six

centers (Sioux Falls, Rapid City, Pierre, Huron, Yankton and Aberdeen) that provide IMPACT services to people who need a level of intense supports (e.g. at risk for hospitalization).

DBH accredits and contracts with addiction treatment agencies across the state. The Criminal Justice Initiative (CJI) was established as a result of the Public Safety Improvement Act. DSS collaborated with the Department of Corrections and the Unified Judicial System to identify evidence-based treatment and intervention programs for parolees and probationers. Cognitive Behavioral Interventions for Substance Abuse (CBISA) is a cognitive behavioral approach to teach participants skill-building activities and strategies for avoiding substance abuse. Moral Reconation Therapy (MRT) addresses patterns of negative thoughts and behaviors. The Juvenile Justice Reinvestment Initiative (JJRI) provides three primary services including Functional Family Therapy that focuses on building skills to improve family relationships, reduce behavioral issues, and improve school performance; Aggression Replacement Training designed to alter behaviors of chronically aggressive youth by using guided group discussions to correct anti-social thinking; and Moral Reconation Therapy to address negative behaviors. They are also piloting a system of care model in targeted areas.

Cecelia Fire Thunder shared concern about outreaching younger South Dakotans at an earlier age, especially those children who experience trauma. She said this is important for all children - not just those on the reservation - and it can help address issues early and prevent problems in adulthood. The Department also receives grants through the federal government that are used to focus on prevention activities throughout the state (e.g. suicide grant, mental health training, underage drinking focus, primary care education and screening tools). The month of September is recognized as Suicide Prevention month and a current initiative is the Suicide Prevention campaign. The BeThe1SD campaign will be launching in the next week to 10 days. This is a time when BHS will saturate schools with tools and resources to address suicide prevention. Suicide data collected by the State's Epidemiologist is available online and will be forwarded to members.

The Department of Social Services *Meth Changes Everything* awareness campaign targets school age kids by visiting schools and communities across the state to provide education and information about meth use in South Dakota. Key outcomes were identified to support individuals in recovery, educating others on the myths and misperceptions to decrease stigma associated with treatment, forming and organizing community coalitions and providing education and information for youth. Additionally, the Department put out a Request for Proposal to solicit proposals to develop additional intensive methamphetamine treatment programs beyond the two programs located in Rapid City and Sioux Falls. The Department's intent is to expand intensive methamphetamine treatment services utilizing evidence based treatment practices. The Department continues to look at opportunities for leveraging available funding to effectively deal with addiction, prevention and treatment.

2018 Legislative Update: During this legislative session, DSS had a couple clean up bills with no substantive changes (HB 1038 and HB 1039). The Board of Counselors and Marriage and Family Therapist Examiners had HB 1040 which provided for the licensing of a professional counselor, professional counselor-mental health, or marriage

and family therapist licensed in another state through reciprocity when the other state's licensing is relatively the same as South Dakota's and allows endorsement. SB 105 authorized a health care practitioner to administer toxicology tests to infants and specified that a provider could do this test if there was evidence of controlled substance. SB 106 established certain provisions regarding the placement of a foster child with a relative or close family friend. As a result of the work done by the Chief Justice and Governor Daugaard through the Task Force on Community Justice and Mental Illness, the Department received funding to fund the treatment piece of a pilot mental health court in Pennington county. The goal is early identification of people with mental illness who were criminalized and are in the system due to their mental illness so they can be converted from the criminal justice system to the mental health system. Other areas that impacted the budget include the receipt of federal fund authority to enhance the Medicaid eligibility system. This funding allows the Department to move forward with technology and get off the outdated and antiquated mainframe system. The Department also received funding to address weekend staffing shortages and gaps at HSC. During this legislative session, HB 1160 was passed to move Victims' Services from DSS to the Department of Public Safety effective July 1, 2018. Additionally, the crime victims' compensation surcharge for a Class 1 or Class 2 misdemeanor or a felony conviction will increase from two dollars and fifty cents to five dollars. And finally, HB 1126 clarified that the county where an alleged rape occurs is responsible for any costs associated with rape collection.

Coalition Work Update: In 2015 a large stakeholder workgroup led by Kim Malsam-Rysdon, Governor's Senior Advisor, and co-chaired by Jerilyn Church, Chief Executive Officer of the Great Plains Tribal Chairman's Health Board, convened. The focus of this workgroup initially focused around a federal policy change to allow the state to garner existing dollars in Medicaid to move forward with Medicaid expansion; however, there was a lack of legislative support for expansion. The workgroup continued to meet to look at opportunities. In February 2016, the federal government changed the national Medicaid funding policy to cover more services for Indian Health Service (IHS) eligibles with 100% federal funds. Medicaid is funded through approximately federal (55%) and state general (45%) funding. People can be eligible for IHS and SD Medicaid if they meet the requirements for both programs. Under this new guidance, 100% federal funding is available for services provided outside IHS if the following is met: services are provided via a written care coordination agreement; medical records are shared with IHS; and IHS maintains responsibility for the patient's care. We are starting with the care referred from IHS today. Referred care (referral by IHS) is targeted to the three largest health systems (Sanford, Avera and Rapid City Regional) and three dialysis providers. Savings will be used to support provider participation and reinvest in the Medicaid program. In SFY19, the savings will address service gaps in the Medicaid program by expanding access to key services. Tribal 638 programs can also enroll and provide services covered by Medicaid. The federal policy implementation provides an opportunity for providers to enhance revenues and will expand access to care (e.g. add services for substance abuse for approximately 1,900 adults; add licensed mental health and family therapists to serve an estimated 465 people; and in the area of community health workers, add services to serve about 1,500 people (e.g. help people understand and manage diabetes, get prescription medications and needed health care). Services will be staggered in phases so not all services will start July 1, 2018. These changes do not add more people to Medicaid; rather, they address service gaps

for the current population served by Medicaid. Steve Deming asked for clarification on licensed mental health and family therapists and noted these behavioral health services are a positive addition to the program. Cecelia Fire Thunder also noted that more funding through third party billing for Tribal providers will be key in meeting the demand for services. The policy change and the general fund savings allows for increased rates for Medicaid providers (e.g. increases for assisted living, in-home services, emergency transportation, group care, or outpatient psychiatric services for people of all ages). The provider rate changes were approved by the legislature to be implemented effective April 1, 2018. A workgroup that convened during legislative session is working to look at nursing home, community support, and psychiatric residential treatment services over the next several months to determine what opportunities may be available to leverage savings for these services.

Medicaid Work Requirement: Federal regulations currently prohibit work requirements as a condition of eligibility of Medicaid; however, recently the Centers for Medicare and Medicaid Services (CMS) indicated they would consider flexibility using 1115 waiver authority, for states to implement a mandatory work component. South Dakota is applying for an 1115 demonstration waiver that will require able-bodied parents with children age 1 or older to participate in an intensive employment and training program as a condition of Medicaid eligibility. DSS is proposing a two year pilot in Minnehaha and Pennington counties where there is the greatest availability of jobs and employment and training resources. DSS is partnering with the Department of Labor and Regulation (DLR) and is targeting to start the work component on a voluntary basis effective July 1, 2018 while awaiting approval of the 1115 waiver. It is estimated that 1,300 recipients will be impacted in these two counties. The idea is to enroll recipients in intensive employment and training services with DLR where employment specialists would work with recipients to address barriers and be connected to employment and training services. Transitional services including child care assistance or potential for premium assistance for employer sponsored coverage would be available to help families transition successfully from the program as their income increases. Cecelia Fire Thunder noted that these transitional services will be important and she was pleased to see these offered. In addition, the recognition that general equivalency diploma (GED) classes, literacy classes, etc. are included in meeting the requirements of the program is positive. In her work, literacy is an area often overlooked, but important in being able to enter the workforce. DSS is targeting July 1, 2018 to submit an 1115 waiver application. Under the 1115 waiver demonstration, we have the flexibility to design our program in a way that makes sense for South Dakota while promoting health and demonstrating success through measurable outcomes.

Weatherization State Plan: The Weatherization Assistance Program is designed to help low income South Dakota households overcome the high cost of energy by making their homes more energy efficient. Eligibility is based on household income and priority is given to the elderly, individuals with disabilities, and families with children. Families with an annual income of up to 200% of the federal poverty level are eligible for assistance. The Department contracts with the four community action programs to provide statewide coverage. Services may include anything from weather stripping doors and windows to insulating walls or replacing non-functional heating systems. It is estimated that weatherization services provide $400 to $500 savings on energy bills annually. Cecelia Fire Thunder asked if information was provided to consumers as to

how they can do their own weatherization or energy saving measures. An *Energy Saving Tips* brochure is made available to consumers on the DSS website. It provides tips on how consumers can make their homes more safe and energy efficient using cost effective measures like adding insulation or sealing air leaks.

Additional Agenda Items: The recent Family First Prevention Services Act reforms the federal child welfare financing streams, Title IV-E and Title IV-B of the Social Security Act to provide services to families who are at risk of entering the child welfare system. DSS is just beginning work to analyze these changes; unsure how much funding will be available to South Dakota for this effort.

DSS appealed to the Eighth Circuit Court of Appeals and is awaiting a decision regarding the Indian Child Welfare Act (ICWA) lawsuit. In the time since the lawsuit was initiated, practices have changed.

A request was made for the Department to share information that may pertain to the Social Services Board (e.g. Medicaid topics) with members throughout the year. The Department will share future DSS Newsletters with Board members as the newsletters become available and the 2017 DSS strategic plan outcomes. As always, if members have particular items that are of interest, let Lynne know.

Establish Next Meeting Date: The next meeting date was set for Tuesday, October 23, 2018 from 10:00 AM to 2:00 PM (CDT).

Adjourn: The meeting was adjourned at 1:18 PM.

DSS

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DSS Boards
Code of Conduct and Conflict of Interest

October 23, 2018

Code of Conduct and Conflict of Interest Policy for DSS Boards & Commissions

DSS
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Adopted by State Board of Internal Control in June 2018.

To establish a set of minimum ethical principles and guidelines

Board may add provisions to, or modify the provisions of the Code.

Any change that constitutes a substantive omission must be approved by State Board of Internal Control.

It is DSS' expectation that all DSS Boards adopt and implement the policy as written.

General Restrictions on Participation in Board Actions

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A conflict of interest exists when a Board member has an interest in a matter that is different from the interest of members of the general public.

Whether or not a conflict of interest requires a Board member to abstain from participation in official action of the Board depends upon the type of action involved.

General Restrictions on Participation in Board Actions

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- A quasi-judicial official action (e.g. review of an application for a license or permit)
- A quasi-legislative official action, also referred to as a regulatory action (e.g. rule-making)
- Administrative actions (e.g. personnel, financing, contracting and other management actions)

Contract Restrictions

DSS
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- A Board member may not solicit or accept any gift, favor, reward, or promise of reward.
- Absent a waiver, certain Board members are prohibited from deriving a direct benefit from a contract with an outside entity.
- The prohibition does not apply to Board members who serve without compensation or who are only paid a per diem.

Consequences of Violations of Conflict of Interest Laws

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Contract, if any, is voidable and any benefit received by the Board member is subject to disgorgement.

Member may be removed from the Board.

Member may be subject to criminal prosecution.

Inappropriate Conduct

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Examples of harassment or discriminatory or offensive behavior:

- Unwelcome physical contact such as kissing, fondling, hugging, or touching.
- Demands for sexual favors, sexual innuendoes, suggestive comments, jokes or a sexual nature, sexist put-downs.
- Swearing, offensive gestures, or graphic language made because of a person's race, color, religion, national origin, sex, age, or disability.
- Slurs, jokes, derogatory remarks, email, or other communications related to race, color, religion, national origin, sex, age, or disability.

Retaliation for Reporting

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Members will not retaliate when an individual reports harassment.

Members will not engage in harassment or discriminatory or offensive behavior.

Members will not take retaliatory action against an employee who reports, in good faith, a suspected violation of law or rule.

Confidential Information

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Board members shall not disclose confidential information acquired during the course of their official duties.

Members are prohibited from the use of confidential information for personal gain.

Reporting of Violations

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Any violation should be reported to the appointing authority for the Board member who is alleged to have violated the Code.

Suspected violations should be reported to Lynne Valenti, DSS Cabinet Secretary

Resource Link

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"Code of Conduct Adopted June 2018" **document found on the State Board of Internal Control's webpage on the Boards and Commissions portal.**
https://boardsandcommissions.sd.gov/publicdocuments.aspx?BoardID=164

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Thank you for your participation.

Code of Conduct and Conflict of Interest Policy for Use By State Authority, Board, Commission, and Committee Members

Purpose

The purpose of this code of conduct and conflict of interest policy ("Code") is to establish a set of minimum ethical principles and guidelines for members of state authorities, boards, commissions, or committees when acting within their official public service capacity. This Code applies to all appointed and elected members of state authorities, boards, commissions, and committees (hereinafter "Boards" and "Board member(s)"). A Board may add provisions to, or modify the provisions of, the Code. However, any change that constitutes a substantive omission from the Code must be approved by the State Board of Internal Control.

Conflict of Interest for Board Members

Board members may be subject to statutory restrictions specific to their Boards found in state and federal laws, rules and regulations. Those restrictions are beyond the scope of this Code. Board members should contact their appointing authority or the attorney for the Board for information regarding restrictions specific to their Board.

General Restrictions on Participation in Board Actions

A conflict of interest exists when a Board member has an interest in a matter that is different from the interest of members of the general public. Examples of circumstances which may create a conflict of interest include a personal or pecuniary interest in the matter or an existing or potential employment relationship with a party involved in the proceeding.

Whether or not a conflict of interest requires a Board member to abstain from participation in an official action of the Board depends upon the type of action involved. A Board's official actions are administrative, quasi-judicial or quasi-legislative.

A quasi-judicial official action is particular and immediate in effect, such as a review of an application for a license or permit. In order to participate in a quasi-judicial official action of the Board, a Board member must be disinterested and free from actual bias or an unacceptable risk of actual bias. A Board member must abstain from participation in the discussion and vote on a quasi-judicial official action of the Board if a reasonably-minded person could conclude that there is an unacceptable risk that the Board member has prejudged the matter or that the Board member's interest or relationship creates a potential to influence the member's impartiality.

A quasi-legislative official action, also referred to as a regulatory action, is general and future in effect. An example is rule-making. If the official action involved is quasi-legislative in nature, the Board member is not required to abstain from participation in the discussion and vote on the action unless it is clear that the member has an unalterably closed mind on matters critical to the disposition of the action.

Administrative actions involve the day-to-day activities of the Board and include personnel, financing, contracting and other management actions. Most of the administrative official actions of a Board are done through the Board's administrative staff. To the extent Board members are involved, the conflict of interest concern most frequently arises in the area of state contracting which is addressed in more detail below. If issues arise that are not directly addressed by this Code, the Board member should consult with the attorney for the Board.

"Official action" means a decision, recommendation, approval, disapproval or other action which involves discretionary authority. A Board member who violates any of these restrictions may be subject to removal from the Board to which the member is appointed.

Contract Restrictions

There are federal and state laws, rules and regulations that address conflict of interest for elected and appointed Board members in the area of contracts. As an initial matter, a Board member may not solicit or accept any gift, favor, reward, or promise of reward, including any promise of future employment, in exchange for recommending, influencing or attempting to influence the award of or the terms of a state contract. This prohibition is absolute and cannot be waived.

Members of certain Boards are required to comply with additional conflict of interest provisions found in SDCL Chapter 3-23 and are required to make an annual disclosure of any contract in which they have or may have an interest or from which they derive a direct benefit. The restrictions apply for one year following the end of the Board member's term. The Boards impacted by these laws are enumerated within SDCL 3-23-10. For more information on these provisions, see the State Authorities/Boards/Commissions page in the Legal Resources section of the Attorney General's website at: http://atg.sd.gov/legal/opengovernment/authorityboardcommission.aspx.

Absent a waiver, certain Board members are further prohibited from deriving a direct benefit from a contract with an outside entity if the Board member had substantial involvement in recommending, awarding, or administering the contract or if the Board member supervised another state officer or employee who approved, awarded or administered the contract. With the exception of employment contracts, the foregoing prohibition applies for one year following the end of the Board member's term. However, the foregoing prohibition does not apply to Board members who serve without compensation or who are only paid a per diem. See SDCL 5-18A-17 to 5-18A-17.6. For more information on these restrictions see the Conflict of Interest Waiver Instructions and Form on the South Dakota Bureau of Human Resources website at: http://bhr.sd.gov/forms/.

Other federal and state laws, rules and regulations may apply to specific Boards. For general questions regarding the applicability of SDCL Chapter 3-23 or other laws, a Board member may contact the attorney for the Board. However, because the attorney for the Board does not

represent the Board member in his or her individual capacity, a Board member should contact a private attorney if the member has questions as to how the conflict of interest laws apply to the Board member's own interests and contracts.

Consequences of Violations of Conflict of Interest Laws

A contract entered into in violation of conflict of interest laws is voidable and any benefit received by the Board member is subject to disgorgement. In addition, a Board member who violates conflict of interest laws may be removed from the Board and may be subject to criminal prosecution. For example, a Board member may be prosecuted for theft if the member knowingly uses funds or property entrusted to the member in violation of public trust and the use resulted in a direct financial benefit to the member. See SDCL 3-16-7, 5-18A-17.4, and 22-30A-46.

Retaliation for Reporting

A Board cannot dismiss, suspend, demote, decrease the compensation of, or take any other retaliatory action against an employee because the employee reports, in good faith, a violation or suspected violation of a law or rule, an abuse of funds or abuse of authority, a substantial and specific danger to public health or safety, or a direct criminal conflict of interest, unless the report is specifically prohibited by law. SDCL 3-16-9 & 3-16-10.

Board members will not engage in retaliatory treatment of an individual because the individual reports harassment, opposes discrimination, participates in the complaint process, or provides information related to a complaint. See SDCL 20-13-26.

Anti-Harassment/Discrimination Policy

While acting within their official capacity, Board members will not engage in harassment or discriminatory or offensive behavior based on race, color, creed, religion, national origin, sex, pregnancy, age, ancestry, genetic information, disability or any other legally protected status or characteristic.

Harassment includes conduct that creates a hostile work environment for an employee or another Board member. This prohibition against harassment and discrimination also encompasses sexual harassment. Sexual harassment includes unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexually harassing nature, when: (1) submission to or rejection of the harassment is made either explicitly or implicitly the basis of or a condition of employment, appointment, or a favorable or unfavorable action by the Board member; or (2) the harassment has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Harassment or discriminatory or offensive behavior may take different forms and may be verbal, nonverbal, or physical in nature. To aid Board members in identifying inappropriate conduct, the following examples of harassment or discriminatory or offensive behavior are provided:

- Unwelcome physical contact such as kissing, fondling, hugging, or touching;

- Demands for sexual favors; sexual innuendoes, suggestive comments, jokes of a sexual nature, sexist put-downs, or sexual remarks about a person's body; sexual propositions, or persistent unwanted courting;
- Swearing, offensive gestures, or graphic language made because of a person's race, color, religion, national origin, sex, age or disability;
- Slurs, jokes, or derogatory remarks, email, or other communications relating to race, color, religion, national origin, sex, age, or disability; or
- Calendars, posters, pictures, drawings, displays, cartoons, images, lists, e-mails, or computer activity that reflects disparagingly upon race, color, religion, national origin, sex, age or disability.

The above cited examples are not intended to be all-inclusive.

A Board member who is in violation of this policy may be subject to removal from the Board.

Confidential Information

Except as otherwise required by law, Board members shall not disclose confidential information acquired during the course of their official duties. In addition, members are prohibited from the use of confidential information for personal gain.

Reporting of Violations

Any violation of this Code should be reported to the appointing authority for the Board member who is alleged to have violated the Code.

This Code of Conduct and Conflict of Interest Policy was adopted by the State Board of Internal Control pursuant to SDCL § 1-56-6.

DSS

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South Dakota Human Services Center

Role in System

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- State's only public psychiatric hospital
- 277 beds
- Part of continuum of care
- Services for those who can't be served in less restrictive settings
- Involuntary commitment
  - danger to self/others
  - unable to care for self

How Are Patients Admitted?

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- Adults
  - Involuntary Mental Illness Commitment
  - Involuntary Chemical Dependency Commitment
  - Court Ordered – Restoration to Competency
  - Voluntary

How Are Patients Admitted?

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- Adolescents
  - Voluntary by Guardian
  - Involuntary Commitment

Involuntary Commitment – Why?

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- May be subject to involuntary commitment if:
  The person has a severe mental illness;
  Due to the severe mental illness, the person is a danger to self or others or has a chronic disability;
  The person needs and is likely to benefit from treatment; and hospitalization is the least restrictive treatment option.

Admissions

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- Admissions
  - FY17: 1,387
  - FY18: 1,249
- Involuntary admissions
  - FY17: 85%
  - FY18: 87%
- FY18 Admissions
  - Minnehaha: 281
  - Yankton: 137
  - Pennington: 78

Diagnosis at Admission

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Primary Diagnosis	Number
Depressive Disorders	397
Schizophrenia and other psychotic disorders	191
Bipolar Disorders	149
Stimulant Use Disorders	102
Schizoaffective Disorders	95
Alcohol Use Disorders	59
Adjustment Disorders	29
Other	227

Patient Demographics

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Gender:

Male: 56%

Female: 44%

Age:

12-17: 23.4%

18-64: 70.7%

65-74: 2.9%

75 and over: 3%

Treatment Programs

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- Adult Acute
- Adult Psychiatric Rehabilitation
- Adult Inpatient Chemical Dependency
- Adolescent
- Geriatric Nursing Home

Treatment Programs

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- Adult Acute
  - Provides for initial assessment and stabilization of adult psychiatric patients.
  - 68 licensed beds
  - Two units closed due to direct care staffing shortages (current capacity: 38 beds)
  - FY18 Average Length of Stay: 19.6 days

Treatment Programs

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- Adult Psychiatric Rehabilitation
  - Provides services for adult patients coping with severe and persistent mental illness
  - Develops the skills to live in the least restrictive setting possible
  - 66 beds
  - FY18 Average Length of Stay: 392.6 days

Treatment Programs

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- Adult Chemical Dependency
  - Program utilizes Motivational Interviewing, Cognitive Behavioral Therapy and Contingency Management to assist with recovery
  - 23 beds (current capacity: 14 beds)
  - FY18 Average Length of Stay: 28.7 days

Treatment Programs

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- Adolescent
  - Inpatient treatment for adolescents with serious emotional disturbance
  - Individualized treatment to support transition to home or a less restrictive placement (e.g. Psychiatric Residential Treatment Facility)
  - 51 beds
  - FY18 Average Length of Stay: 59.7 days

Treatment Programs

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- Geriatric Nursing Home
  - Program provides care and treatment for patients who cannot be served in a community nursing home
  - 69 beds
  - FY18 Average Length of Stay: 752.6 days (FY16: 489.44/FY17: 489.6)

Comprehensive Services

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- Ages 12 to End of Life
- Medication Management
- Psychotherapy / Counseling
- Psychological Testing
- Discharge Planning and Transition Services

Comprehensive Services

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- Supportive Services
  - Education
  - Occupational and Physical Therapy
  - Recreational Therapy
  - Life Skills and Community Preparedness

Patient Demographics

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Race:

White: 61%

Native American: 23%

Black: 5%

Hispanic: 2%

Other: 9%

Regulatory Oversight

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- The adult acute, adolescent and geriatric programs are certified by the Centers for Medicare and Medicaid Services (CMS) to receive Medicare or Medicaid revenue.
- The adult acute and adolescent units are licensed as a specialized hospital (the acute program units) by the South Dakota Department of Health (DOH).
- The geriatrics program is licensed as a nursing facility.

Regulatory Oversight

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- DOH surveys all licensed hospitals in SD to determine compliance with state licensing rules and CMS Conditions of Participation (COPs).
- All hospitals are required to meet COPs to receive Medicare and Medicaid funding.
- There are approximately 365 individual requirements applicable to HSC that are reviewed during a complete hospital survey.
- All surveys are unannounced and are conducted on-site by the South Dakota Department of Health or CMS.
- Recent survey noted nursing coverage during overnight shifts and requirement for active treatment on all acute patients.

Current Initiatives

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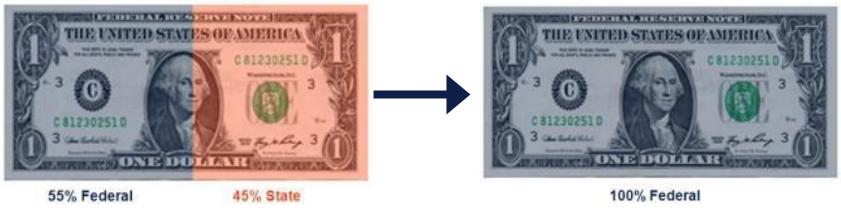
- Zero Suicide
- Dialectical Behavior Therapy
- Motivational Interviewing

100% FMAP Reinvestment Initiative

What is it?

- A 2016 federal Medicaid policy change allows states to claim 100% federal match instead of regular Federal Medical Assistance Percentage (FMAP) for certain services to American Indians referred by Indian Health Services (IHS) under a Care Coordination Agreement.



- This increases the federal match rate for services and generates state savings to allow the state to reinvest in Medicaid.

What are the key requirements of the federal policy?

1. Participation must be voluntary.
2. Service must be referred by IHS.
3. IHS and non-IHS provider must have a Care Coordination Agreement.
4. IHS and the non-IHS provider must share medical records.

How much does South Dakota spend on American Indians?

- In SFY17, South Dakota spent $97 million in state general funds for American Indians for care outside IHS.

This is **NOT** Medicaid Expansion.

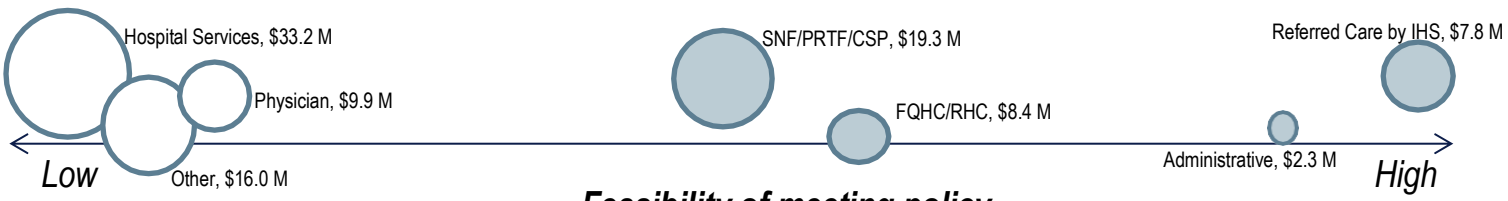
Medicaid Expansion is adding additional people to Medicaid by increasing the income limits for people already eligible for Medicaid or adding new groups (ex. childless adults) to Medicaid.

This initiative **doesn't** add new people to Medicaid. It does:

- Save state general funds.
- Reinvest state savings to address service gaps in Medicaid.
- Reinvest state savings to increase provider rates.
- Reinvest state savings to promote innovation.

Will South Dakota save $97 million?

- No. The policy requirements must be met in order to convert the FMAP. Not all services will meet the requirements of the policy.
- The services below indicate which services qualify for the policy. Some services will meet the policy requirements easier than others.
- The categories show South Dakota's total expenditures for American Indians. Actual savings in each category will be less than the total spent.
- DSS tracks the amount saved each month online: https://dss.sd.gov/keyresources/fmapreports.aspx



Feasibility of meeting policy

Actual savings will not reach total amount spent

100% FMAP Reinvestment Initiative

What is the budget impact?

- Year 1 savings of $4.6 million were built into the SFY19 budget. 85% of the savings were used to increase community-based provider rates and address service gaps in Medicaid. The remaining 15% to be shared with providers and IHS who implement the policy.

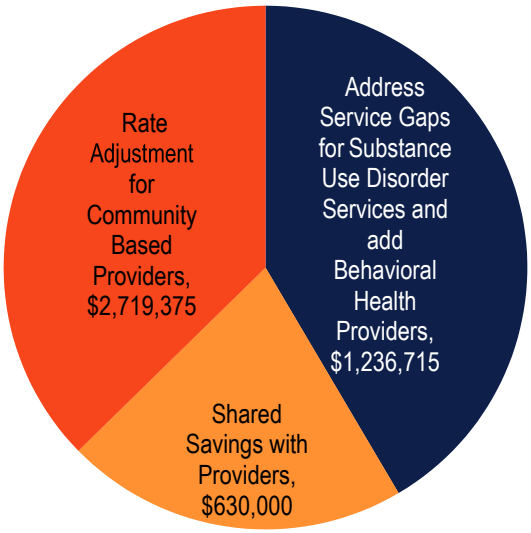
- Funding is prioritized to:

1. Address Service Gaps in Existing Medicaid

- Goal is to avoid more expensive hospital & ER care
- Studies show these services reduce overall healthcare & criminal justice related costs
  - Add Substance User Disorder (SUD) Services for Currently Eligible Adults
  - Add new Behavioral Health Providers
  - Provide Community Health Worker Services

SFY19 Budget State Funds Impact

Based on SFY17 Projections



2. Increase Provider Rates

- Increase Provider Rates for DSS, DHS, and DOC community-based providers including Assisted Living, In Home Services, Emergency Transportation, Group Care, and Outpatient Psychiatric Care.

3. Share Savings with Providers

- Savings are only generated through Care Coordination Agreements between IHS and non-IHS providers.
- The initiative shares part of the savings with participating providers.
- Providers only benefit to the extent they participate in care coordination agreements with IHS and generate savings to the state Medicaid program.

What's next?

- Enhance Medicaid provider rates up to 100% of costs.
- Working with Skilled Nursing Facilities (SNFs), Psychiatric Residential Treatment Facilities (PRTFs), and Community Support Providers (CSPs) to implement a referral process with IHS.
- Working with Federally Qualified Health Centers (FQHC) and tribal partners to develop an 1115 waiver to pilot an alternative service delivery model to increase access to primary care for American Indians.