



10% Enhanced FMAP

Department of Social Services and Department of Human Services

Overview

Governor Noem's recommended budget includes \$80,700,000 in one-time federal fund expenditure authority to enhance, expand, and strengthen home and community-based services.

The American Rescue Plan provides States with a temporary 10 percentage point increase in the federal medical assistance percentage (FMAP) for certain Medicaid home and community-based services expenditures. These services are provided through both the Department of Social Services and Department of Human Services. States must use these federal funds to supplement, not supplant, existing state funds expended for Medicaid home and community-based services in effect as of April 1, 2021, and states must use these funds to implement activities to enhance, expand, and strengthen home and community-based services under the Medicaid program.

Project Description

This funding would be allocated to certain home and community-based services, including assisted living, case management, homemakers, nursing, adult companion, personal care, respite care, chore services, community support providers, structured family caregiving, community living homes, environmental accessibility adaptations assessment, community mental health centers, and enrolled substance use disorder agencies.

Under this one-time funding opportunity, providers can use the funding to implement a variety of activities to enhance, expand, or strengthen Medicaid home and community-based services, such as one-time compensation adjustments; retention incentives; direct care worker recruitment and training; telehealth, assistive technology and equipment; and COVID related activities.

Funding

One-time funding of \$80,700,000 is available to South Dakota if the funding is spent before March 31, 2022. The total amount each eligible HCBS provider would receive is roughly equivalent to 40%-45% of their State Fiscal Year 2021 Medicaid home and community-based services revenue.