DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-26-12 Baltimore, Maryland 21244-1850

## Center for Medicaid and CHIP Services

JUL 1 9 2012

CENTERS for MEDICARE & MEDICARD SERVICE

Ms. Kim Malsam-Rysdon Department Secretary Department of Social Services Division of Medical Services 700 Governors Drive Pierre, SD 57501-2291

Re: South Dakota 12-007

Dear Ms. Malsam-Rysdon:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 12-007. Effective for services on or after July 1, 2012, this amendment modifies the reimbursement methodology for inpatient hospital swing beds by modifying the rate calculation basis from calendar year to State fiscal year.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30) and 1903(a) of the Social Security Act (the Act) and the regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment TN 12-007 is approved effective July 1, 2012. The CMS-179 and the amended plan page are attached.

If you have any questions, please contact Christine Storey at (303) 844-7044.

Sincerely,

Cindy Mann

Director, CMCS