DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 1600 Broadway, Suite 700 Denver, CO 80202-4967



Region VIII

October 10, 2012

Kim Malsam-Rysdon, Secretary Department of Social Services Richard F. Kneip Building 700 Governors Drive Pierre, SD 57501-2291

RE: South Dakota #12-010

Dear Ms. Malsam-Rysdon:

We have reviewed the proposed State Plan Amendment (SPA) submitted under transmittal number (TN) 12-010. This State Plan Amendment removes obsolete language pertaining to reimbursement cuts in outpatient hospital reimbursement methodology replacing it with language to implement an inflationary increase in calculations and updates effective dates for reimbursements to other outpatient service providers

Please be informed that this State Plan Amendment is approved effective July 1, 2012. We are enclosing the CMS-179 and the amended plan page(s).

If you have any questions concerning this amendment, please contact Betty Strecker at (303) 844-7028.

Sincerely,

/s/

Richard C. Allen Associate Regional Administrator Division for Medicaid & Children's Health Operations

CC: Brenda Tidball-Zeltinger Mark Zickrick