

Department of Social Services
Notice of Public Hearing to Adopt Rules

A public hearing will be held in the Department of Social Services Building, Oak Conference Room B110A, 1501 S Highline Ave, Sioux Falls, SD 57110, on Friday, May 15, 2026, at 10:00 a.m. Central Time, to consider the adoption and amendment of proposed Administrative Rules of South Dakota numbered

§§ 67:16:01:25 to 67:16:01:27, inclusive, 67:16:01:29, 67:16:02:16.01, 67:16:02:17, 67:16:03:01, 67:16:03:06 to 67:16:03:06.08, inclusive, 67:16:03:06.10 to 67:16:03:06.18, inclusive, 67:16:03:07.01, 67:16:03:11, 67:16:03:14, 67:16:03:14.02, 67:16:05:09, 67:16:07:08, 67:16:09:08, 67:16:11:17, 67:16:11:19.02, 67:16:13:09, 67:16:16:06, 67:16:25:06.02, 67:16:25:10, 67:16:28:10, 67:16:29:09, 67:16:29:11, 67:16:35:06, 67:16:39:02, 67:16:39:08, 67:16:40:01 to 67:16:40:20, inclusive, 67:16:41:05, 67:16:41:13, 67:16:43:08, 67:16:43:09, 67:16:44:10, 67:16:48:13, 67:46:01:14, and 67:46:12:12.

The effect of the rule changes is to update hospital reimbursement methodologies including inpatient and outpatient hospital services for both in-state and out-of-state hospitals to more closely align with industry standards, repeal rules that are duplicative of federal regulation or other rules, and to make style and form changes. The overall impact of the changes is anticipated to be higher aggregate reimbursement for in-state hospitals, including rural hospitals. This will occur due to more standardization of methodologies and underlying payment components, which will help ensure access to high-quality healthcare for Medicaid recipients.

The reason for adopting the proposed rules is to modernize and streamline hospital reimbursement methodologies and more closely align the methodologies with industry standards.

Persons interested in presenting amendments, data, opinions, and arguments for or against the proposed rules may:

- 1) Appear in-person at the hearing;
- 2) May attend telephonically by calling 1-605-679-7263 and using conference code 454 565 21#;
- 3) Mail them to Teresa Schulte, Administrative Rules C219, Department of Social Services, 1501 S Highline Ave, Sioux Falls, SD 57110; or
- 4) Email them to DSSAdminRules@state.sd.us.

The deadline to submit any such written comments for consideration by the Department of Social Services is May 25, 2026, ten days after the date of the public hearing.

After the written comment period, the Department of Social Services will consider all written and oral comments it receives on the proposed rules. The Department of Social Services may modify or amend a proposed rule at that time to include or exclude matters that are described in this notice.

For Persons with Disabilities: This hearing will be located at a physically accessible place. Please contact the Department of Social Services at least 48 hours before the public hearing if you have special needs for which special arrangements can be made by calling (605) 674-5771.

Copies of the proposed rules may be obtained without charge from:

- 1) Contacting Teresa Schulte at Administrative Rules C219, Department of Social Services, 1501 S Highline Ave, Sioux Falls, SD 57110;
- 2) Visiting <http://rules.sd.gov>; or
- 3) Emailing a request to: DSSAdminRules@state.sd.us.