



September 15, 2020

Hon. Steve Barnett
Secretary of State
500 E Capitol Avenue
Pierre, SD 57501

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Dear Secretary Barnett,

The Legislative Research Council received an **initiated measure to expand Medicaid eligibility to** any person over age 18 and under age 65 based on eligibility requirements and income methodology set in federal law. The initiated measure requires a fiscal note because it was determined that it may have an impact on revenues, expenditures, or fiscal liability of the state or its agencies and subdivisions. SDCL 2-9-30 requires the fiscal note be no longer than fifty words. The fiscal note examines the fiscal impacts associated with the state providing Medicaid benefits to eligible individuals.

Enclosed is a copy of the initiated measure, in final form, that was submitted to this office. In accordance with SDCL 2-9-31, I hereby submit the Legislative Research Council's fiscal note with respect to this initiated measure.

Sincerely,

A handwritten signature in blue ink that reads "Reed Holwegner". The signature is written in a cursive style.

Reed Holwegner
Director

Enclosures

Cc: Rick Weiland

SOUTH DAKOTA LEGISLATIVE RESEARCH COUNCIL

FISCAL NOTE

INITIATED MEASURE

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AN INITIATED MEASURE EXPANDING MEDICAID ELIGIBILITY.

Based on eligibility requirements and income methodology set in federal law as of September 2020, the proposed expansion of Medicaid benefits could result in an additional 42,500 eligible individuals. The total annual estimated cost of Medicaid expansion is \$301,800,000 with the state's share of that cost being up to \$20,800,000.

Approved: Keed Hwegner Date: September 15, 2020
Director, Legislative Research Council

Filed this 15th day of
September 2020
Steve Barnett
SECRETARY OF STATE

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BE IT ENACTED BY THE PEOPLE OF SOUTH DAKOTA:

Section 1. That chapter 28-6 be amended by adding a NEW SECTION to read:

28-6-1.2 The state shall provide Medicaid benefits to any person over age 18 and under age 65 whose income is 133% of the federal poverty level or less, using the income methodology of the Medicaid statute at 42 U.S.C. §1396a(a)(10)(A)(i)(VIII) and who meets other nonfinancial eligibility requirements of the federal Medicaid statute. The state may not impose on any such person any greater or additional burdens or restrictions on eligibility, enrollment, or benefits than on any other group eligible for medical assistance.

Within 90 days of voter approval of this Act, the state shall submit a state plan amendment and all other necessary documents, and take all additional steps necessary to seek required approvals from the Centers for Medicare and Medicaid Services to include such persons as a coverage group in South Dakota's Medicaid program.

The Department of Social Services shall promulgate rules pursuant to chapter 1-26 to authorize low-income persons as an eligible population for Medicaid services in this state and any other necessary rule as authorized by §28-6-1 to implement this section.