State Medicaid Snapshot: Projected Impact of H.R. 1

South Dakota

Medicaid plays a critical role in covering individuals with diabetes. A new study commissioned by the American Diabetes Association®(ADA) analyzes Centers for Medicare & Medicaid Services (CMS) data to estimate the coverage impacts of H.R. 1 across states.

In South Dakota, the analysis highlights potential enrollment losses and increases in cost sharing—with serious implications for access to care for individuals with diabetes, and the potential to drive higher medical spending for patients and states.

Projected Coverage Loss by 2034

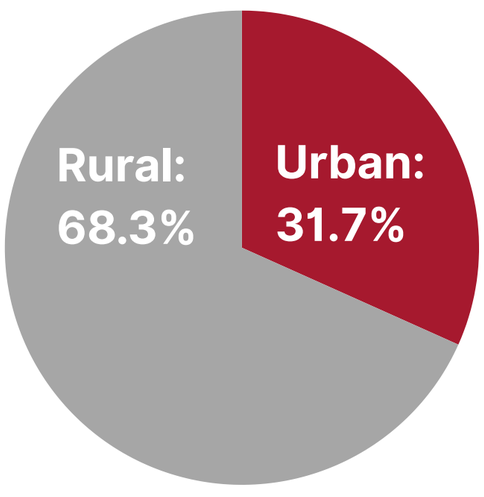
South Dakota

- Among the state's **109,000** enrollees → **11,000** are projected to lose coverage by 2034.
- Approximately **7,000** SD Medicaid enrollees are living with diabetes.
- Of those with diabetes, **over 400** are expected to lose coverage by 2034 → a **5.9%** disenrollment rate.

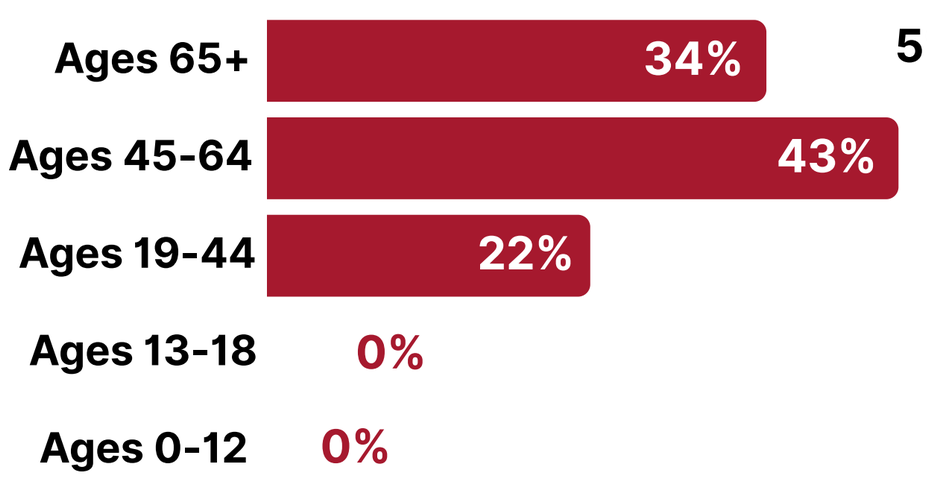
National

- Approximately **5.3 million** Medicaid enrollees have diabetes (6.5% of all Medicaid enrollees).
- By 2034, **475,655** enrollees with diabetes are projected to lose coverage. Among those:
  - **2.1%** have chronic kidney disease (10K)
  - **7.7%** have diabetic retinopathy (37K)

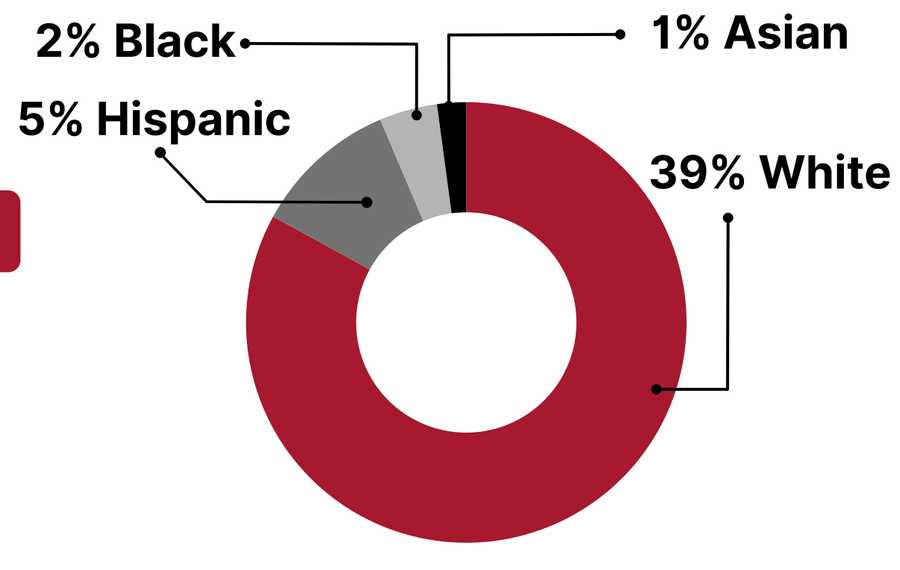
Who Is Most Affected in South Dakota?



By Location



By Age



By Race

Cost Sharing Implications

Beginning in 2029, H.R. 1 would introduce new Medicaid cost sharing requirements for some enrollees, including people with diabetes. South Dakota estimates suggest:

- **1,124** Medicaid enrollees with diabetes could be newly subject to cost sharing
- Average annual out-of-pocket costs could reach **$254–$659 per enrollee** by 2034, an increase of roughly **27%** from 2029
- Higher costs may lead to **reduced use of necessary services**, particularly for specialty care

While state-specific impacts will vary, increased cost sharing may create additional barriers to consistent diabetes management and access to care.

Why It Matters

Medicaid is a lifeline for people with diabetes, providing access to medications, preventive care, and essential management tools. Even modest coverage losses can disrupt access to critical care, leading to:

Increased emergency department use

Higher rates of complications and poor outcomes

Greater long-term costs for the healthcare system.

For South Dakota, projected disenrollment is concentrated among rural residents and working-age adults with diabetes, putting access to consistent and life-sustaining care at risk for those who need it most.

Source: American Diabetes Association. *Impact of Recent Medicaid and Affordable Care Act Policy Changes on Health Insurance Coverage and Cost-Sharing for Americans With Diabetes.* Published July 2026. Accessed August 3, 2026. https://diabetes.org/sites/default/files/2026-07/Affordable%20Care%20White%20Paper%20FINAL.pdf