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State/Territory Name: South Carolina

State Plan Amendment (SPA) #: 19-0002

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

August 13, 2021

Robert M. Kerr
Secretary
South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, SC 29202-8206

Re: South Carolina State Plan Amendment 19-0002

Dear Mr. Kerr:

We reviewed your proposed Medicaid State Plan Amendment, SC 19-0002, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 12, 2019. This amendment creates the Opioid Treatment Program (OTP) Services program requirements and fee schedule rates effective for services on or after January 1, 2019.

CMS approved SC 19-0002 on May 28, 2021, with an effective date of January 1, 2019. On July 7, 2021, South Carolina Department of Health and Human Services (SCDHHS) submitted a request for a technical correction to the previous SC 19-0002 Approval Package. SCDHHS did not include the superseding language approved in SPA SC 14-005 for Adult Preventive Dental Services in Attachment 3.1-A Limitation Supplement Page 5a. We reviewed your request and have enclosed the approved CMS-179 and state plan pages.

If you have any questions regarding this amendment, please contact William Pak at (404) 562-7407 or via email at William.Pak@cms.hhs.gov.

Sincerely,



James G. Scott, Director
Division of Program Operations
Medicaid and CHIP Operations Group

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
19-0002

2. STATE
South Carolina

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
January 1, 2019

5. TYPE OF PLAN MATERIAL (*Check One*):

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION:
42 CFR 8.12.

7. FEDERAL BUDGET IMPACT:
a. FFY 2019 ~~\$3.63 million FFP~~ \$3.7 million FFP
b. FFY 2020 ~~\$4.84 million FFP~~ \$4.91 million FFP

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 3.1-A Limitation Supplement, pages 5 & 5a
Attachment 4.19-B, pages 3a.7 & 3a.8 (New Page)
Attachment 3.1-F, page 13

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*):

Attachment 3.1-A Limitation Supplement, pages 5 & 5a
Attachment 4.19-B, page 3a.7
Attachment 3.1-F, page 13

10. SUBJECT OF AMENDMENT: This state plan amendment creates the Opioid Treatment Program (OTP) Services program requirements and fee schedule rates effective for services provided on or after January 1, 2019.

11. GOVERNOR'S REVIEW (*Check One*):

- GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:
Mr. Baker was designated by the Governor
to review and approve all State Plans

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:
Joshua D. Baker

14. TITLE:
Director

15. DATE SUBMITTED:
March 8, 2019

16. RETURN TO:

South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, SC 29202-8206

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: March 12, 2019

18. DATE APPROVED: May 28, 2021

19. EFFECTIVE DATE OF APPROVED MATERIAL: January 1, 2019

21. TYPED NAME: James G. Scott

20. SIGNATURE OF REGIONAL OFFICIAL:

22. TITLE: DPO Division Director

23. REMARKS:

Pen and ink change authorized in Box 7:

Fiscal impact changed from \$3.63 million to \$3.7 million in 2019 and from \$4.84 million to \$4.91 million in 2020.

When home health services are provided, the service a patient receives is counted in visits. A visit is a face-to-face encounter between a patient and any qualified home health professional whose services are reimbursed under the Medicaid program and ordered by a physician as part of a written plan of care every sixty (60) days.

Home health agency visits are limited to a total of fifty (50) per recipient per state fiscal year for all mandatory and optional home health services for beneficiaries over the age of 21 and does not apply to children. For situations where it is medically necessary for a beneficiary to exceed the fifty (50) visit limitation, a request for additional visits accompanied by supporting medical documentation which would document the necessity for the additional home health visits will be reviewed by the South Carolina Department of Health and Human Services medical reviewer for approval. In accordance with EPSDT requirements any therapy service that is provided beyond the limits would require prior approval if determined medically necessary.

9. CLINIC SERVICES:

Clinic services are limited to outpatient ambulatory clinics and centers that provide medical services as stipulated at 42 CFR 440.90. Covered Clinic services include:

- a. AMBULATORY SURGICAL CENTERS: Medical coverage is limited to medically necessary services provided by certified and licensed ambulatory surgical centers that meet the conditions for Medicare coverage as established in 42 CFR, Part 416, Subpart B, (Conditions for coverage), and as evidenced by an agreement with CMS.

The surgical procedures covered are limited to those described under 42 CFR Part 416, Subpart B, (Scope of Benefits).

- b. END STAGE RENAL DISEASE CLINICS: Medicaid coverage includes all medically necessary treatments and services for in-center or home dialysis.

Medicaid coverage is limited to services provided by licensed ESRD clinics meeting the Medicare requirements outlined in 42 CFR Part 250 and participating in Medicare as evidenced by a Medicare agreement.

- c. MENTAL HEALTH CLINICS: Community mental health providers provide clinic services as defined in federal regulations 42 CFR 440.90. Community mental health services are provided to adults and children diagnosed with a mental illness and defined in the current addition of the Diagnostic Statistical Manual (DSM).
- d. OUTPATIENT PEDIATRIC AIDS CLINICS: Outpatient Pediatric Aids Clinics (OPACS) provide specialty care, consultation and counseling services for HIV-infected and exposed Medicaid children and their families. OPACs provide services that are medical, behavioral, psychological and psychosocial in nature.
- e. INFUSION CENTERS: Medicaid coverage includes medically necessary treatments and services for infusion therapy, as permitted by state law.
- f. OPIOID TREATMENT CENTERS: Opioid treatment centers, also referred to as opioid treatment programs or OTPs refer to a program or practitioner engaged in treatment of individuals with an Opioid Use Disorder. OTPs provide services that are medical, pharmacological, and psychotherapeutic in nature. Medicaid coverage includes medically necessary outpatient treatment provided by Opioid Treatment Programs.

These services are limited to OTPs that meet requirements as set forth in 42 CFR 440.90.

10. DENTAL SERVICES

Dental services for recipients under 21 include any medically necessary dental services.

Dental services for recipients age 21 and over are limited to the following medically necessary services:

- Extractions and necessary treatment for repair of traumatic injury;
- Dental services delivered in preparation for, or during the course of treatment for organ transplants, radiation of the head or neck for cancer treatment, chemotherapy for cancer treatment, total joint replacement or heart valve replacement.
- Diagnostic services, extractions, fillings and annual cleanings, up to a maximum benefit of \$750 per State fiscal year (July through June).
- Sedation services are available to the following groups of recipients and are excluded from the maximum annual benefit limitation.
 - o Sedation services for oral surgery are available to all adults when determined by the oral surgeon to be medically necessary.
 - o Sedation services for recipients with special needs diagnoses are available when medically necessary.

11.a PHYSICAL THERAPY

Physical Therapy Services:

Other physical therapy services not related to EPSDT must be provided in accordance with SCDHHS hospital, physician, and home health manuals.

State: South Carolina

Citation	Condition or Requirement
	<p><input checked="" type="checkbox"/> The state assures that beneficiary requests for disenrollment (with and without cause) will be permitted in accordance with 42 CFR 438.56(c).</p>
	<p>4. Describe any additional circumstances of “cause” for disenrollment (if any).</p> <p>The State does not use any additional circumstances of “cause” for disenrollment other than those detailed in 42 CFR 438.56(c).</p>
<p>1932(a)(5) 42 CFR 438.50 42 CFR 438.10</p>	<p>K. <u>Information requirements for beneficiaries</u></p> <p>Place a check mark to affirm state compliance.</p> <p><input checked="" type="checkbox"/> The state assures that its state plan program is in compliance with 42 CFR 438.10(i) for information requirements specific to MCOs and PCCM programs operated under section 1932(a)(1)(A)(i) state plan amendments. (Place a check mark to affirm state compliance.)</p>
<p>1932(a)(5)(D) 1905(t)</p>	<p>L. <u>List all services that are excluded for each model (MCO & PCCM)</u></p> <p>PCCM excluded services: None MCO excluded services:</p> <ul style="list-style-type: none"> Institutional Long Term Care Facilities/Nursing (after the first ninety (90) continuous days post- admission) Non-Ambulance Transportation Glasses, contacts and fitting fees Dental Services Targeted Case Management Services Pregnancy Prevention Services – Targeted Populations MAPPs Family Planning Services Organ Transplantation Non mental health services provided by a School District Services provided by the Department of Disabilities and Special Needs Services provided in Developmental Evaluation Centers Services provided in free standing psychiatric hospital services Prescribed drugs, or classes of drugs, that are excluded from the MCO capitation rate Opioid Treatment Centers
<p>1932 (a)(1)(A)(ii)</p>	<p>M. <u>Selective contracting under a 1932 state plan option</u></p> <p>To respond to items #1 and #2, place a check mark. The third item requires a brief narrative.</p> <p>1. The state will ___/will not <input checked="" type="checkbox"/> intentionally limit the number of entities it contracts under a 1932 state plan option.</p>

The Medicaid Agency will unbundle the previously bundled CPT codes applicable to the individual OPAC service(s) being rendered (i.e. medical or behavioral/psychological) for future pricing purposes.

Infusion Centers

Infusion centers allow Medicaid beneficiaries to receive various types of infusion therapy in a facility setting other than a physician's office or outpatient hospital. Infusion centers must have the ability to perform the following services:

Chemotherapy,
Hydration,
IGIV,
Blood and blood products,
Antibiotics,
Intrathecal/lumbar puncture,
Inhalation,
Or therapeutic phlebotomy.

Effective calendar year 2003, Infusion Centers are a recognized provider type in the Medicaid Program. Services performed in Infusion Centers are reimbursed according to existing Medicaid fee schedules found under the various covered Medicaid services contained within Attachment 4.19-B as follows: physician services - section 5 and drugs (including J codes and blood/blood products) - section 12.

Opioid Treatment Program (OTP) Clinic Services

The Opioid Treatment Program (OTP) provides medically necessary treatment to eligible Medicaid beneficiaries with a diagnosis of opioid use disorder (OUD). These services are provided in a clinic that is approved to render methadone maintenance therapy by the Drug Enforcement Agency (DEA) and is accredited by the Substance Abuse and Mental Health Services Administration (SAMHSA). Provision of OTP clinic services must be consistent with 42 CFR 8.12.

Clinics providing OTP services will be reimbursed a weekly bundled rate for eligible Medicaid beneficiaries. In addition, the OTP clinic will be reimbursed an initial and annual MAT (Medication Assisted Treatment) Assessment rate which covers the required services for beneficiaries accepted into the program (i.e. comprehensive medical exam, initial psychosocial assessment, and treatment plan development).

The OTP bundled rate has been developed utilizing the required service descriptions referenced in 42 CFR 8.12 (f) and applicable Medicaid rates for the individual service components. The service components include:

SC 19-0002
EFFECTIVE DATE: 01/01/19
RO APPROVAL: 05/28/21
SUPERSEDES: SC 17-0015

- 1) Care coordination,
- 2) Counseling,
- 3) Medication management,
- 4) Nursing services related to medication administration,
- 5) Drug screens, and
- 6) Drug costs (opioid agonist treatment medications).

In order to determine the bundled rate, a monthly bundled rate was first developed using current SC Medicaid rates for comparable services provided in both physician and clinic settings as well as recommended monthly service frequencies for the discrete services identified. Drug costs are excluded in the calculation of the monthly bundled rate. The monthly service frequencies (i.e. units) associated with each service were then multiplied by the applicable service rate in order to determine the monthly bundled service package cost. The monthly bundled service package cost was then converted to a weekly bundled rate by dividing the monthly bundled service package cost by four. Finally, to account for the difference in the drug treatment options, the weekly drug costs associated with each drug option was added to the weekly bundled rate to determine the two weekly bundled rates for each of the following drug treatment options: Methadone Maintenance Treatment (MMT) and Buprenorphine Treatment. No room and board costs are included in the determination of the weekly bundled rates.

The OTP clinics, and not the individual practitioners, will be allowed to bill the bundled service rates. Reimbursement for any provider delivering services included in the bundled rate service package will be paid through the bundled rate. Individual providers cannot bill separately for services included in the bundled rate. As prepayment for bundled services is not permissible, providers may not bill for the weekly bundled reimbursement until at least one service has commenced for the week.

In order for the Medicaid Agency to periodically monitor the actual provision of the individual services being provided under each of the bundled service rates, each OTP provider will be required to record and supply the related service utilization data to the Medicaid Agency upon request.

Except as otherwise noted in the plan, state-developed fee schedule rates for this service are the same for both governmental and private providers. The agency's fee schedule rate was set as of January 1, 2019 and is effective for services provided on or after that date. All rates are published on the agency's website at www.scdhhs.gov.

10. Dental Services:

Reimbursement to providers of dental services is made on the basis of an established fee schedule not to exceed prevailing charges in the state. Reimbursement will be provided on a per procedure basis. Reimbursement for dental services shall be based on a percentage of published usual and customary South Carolina dental rates, not to exceed the 75th percentile of usual and customary reimbursement for South Carolina. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rate was set as of July 1, 2017 and is effective for services provided on or after that date. Rates for Preventive, Oral Surgery and Ancillary services were updated on July 1, 2017. The rates for all other dental services were set as of July 11, 2011. All rates are published on the agency's website at www.scdhhs.gov.