

## **Table of Contents**

**State/Territory Name: South Carolina**

**State Plan Amendment (SPA) #: 23-0017**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Approved CMS-179
- 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

---

February 1, 2024

Robert M. Kerr  
Director  
South Carolina Department of Health and Human Services  
P.O. Box 8206  
Columbia, South Carolina 29202-8206

Re: South Carolina State Plan Amendment (SPA) 23-0017

Dear Director Kerr:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 23-0017. This plan proposes to update the preventive services to align with the United States Preventive Services Task Force recommendations for preventive screening services and the Advisory Committee on Immunization Practices recommendations for immunizations. Additionally, this amendment proposes to include the current reimbursement methodology for vaccines for both children and adults under the Preventive Services section of the State Plan. This SPA also proposes to remove the limits previously applied to the ambulatory care annual visits.

We conducted our review of your submittal according to statutory requirements in 42 CFR 440.130 1905(a)(13). This letter is to inform you that South Carolina's Medicaid SPA 23-0017 was approved on February 1, 2024, with an effective date of October 1, 2023.

Enclosed are copies of the approved CMS-179 summary form and the approved SPA pages to be incorporated into the South Carolina State Plan.

If you have any questions, please contact Etta Hawkins at (404) 562-7429 or via email at [Etta.Hawkins@cms.hhs.gov](mailto:Etta.Hawkins@cms.hhs.gov).

Sincerely,



James G. Scott, Director  
Division of Program Operations

Enclosures

cc: Margaret Alewine  
Sheila Chavis

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER <u>2 3</u> — <u>0 0 1 7</u>	2. STATE <u>S C</u>
		3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <p style="text-align: center;">October 1, 2023</p>	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 440.130 <span style="color: orange;">42 CFR 1905(a)(13)</span>		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY 2024 \$ 53,816 b. FFY 2025 \$ 53,925	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  Attachment 3.1-A Limitation Supplement, Pages 6, 6.1 <span style="color: orange;">Page 5</span>  Attachment 4.19-B, Pages 5, 6 Supplement 3 to Attachment 4.19-B, Pages 1,2		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  Attachment 3.1-A Limitation Supplement, Pages 6, 6.1, 6.1a (Page 6.1a will be deleted from the State Plan due to deletion of language) Attachment 4.19-B, Pages 5, 6 Supplement 3 to Attachment 4.19-B, Pages 1,2	
9. SUBJECT OF AMENDMENT  This SPA will update the Preventive Services to align with the USPSTF recommendations for Preventive Services and the ACIP recommendations for immunizations.			
10. GOVERNOR'S REVIEW (Check One)			
<input type="radio"/> GOVERNOR'S OFFICE REPORTED NO COMMENT		<input checked="" type="radio"/> OTHER, AS SPECIFIED: Mr. Kerr was designated by the Governor to review and approve all State Plans.	
<input type="radio"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED			
<input type="radio"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
11. [REDACTED] IAL		15. RETURN TO South Carolina Department of Health and Human Services Post Office Box 8206 Columbia, SC 29202-8206	
12. TYPED NAME Robert M. Kerr		<b>FOR CMS USE ONLY</b>	
13. TITLE Director			
14. DATE SUBMITTED November 14, 2023			
16. DATE RECEIVED November 9, 2023		17. DATE APPROVED February 1, 2024	
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
18. EFFECTIVE DATE OF APPROVED MATERIAL October 1, 2023		19. SIGNATURE [REDACTED]	
20. TYPED NAME OF APPROVING OFFICIAL  James G. Scott		21. TITLE OF APPROVING OFFICIAL  Director, Division of Program Operations	
22. REMARKS  01-26-2024: Pen and Ink authorization to add CFR 1905(a)(13) to Box 5 01-17-2024: South Carolina authorized a Pen and Ink change to add Page 5 to Box 7			

AMOUNT, DURATION, AND SCOPE OF MEDICAL  
AND REMEDIAL CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

12. Prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist.

a. Prescribed drugs.

- Provided:  No limitations  
With limitations\*
- Not Provided

b. Dentures.

- Provided:  No limitations  
With limitations\*
- Not Provided

c. Prosthetic devices

- Provided:  No limitations  
With limitations\*
- Not Provided

d. Eyeglasses.

- Provided:  No limitations  
With limitations\*
- Not Provided

13. Other diagnostic, screening, preventive, and rehabilitative services, i.e., other than those provided elsewhere in this plan.

a. Diagnostic services.

- Provided:  No limitations  
With limitations\*
- Not Provided

\*Description provided on attachment.

---

TN No. SC 23-0017

Supersedes

Approval Date 02/01/24

Effective Date 10/01/23

TN No. MA 85-14

HCFA ID: 0069P/0002P

- 12c. PROSTHETIC OR ORTHOTIC APPLIANCES. Approval from the State Office is required prior to the provision of the prosthetic or orthotic appliance.
- 12d. EYEGLASSES Coverage for eyeglasses will be limited to recipients under 21 years of age when medical necessity has been established. One pair of eyeglasses is available during a 365 day period to beneficiaries eligible under the EPSDT program. Additional lenses can be approved if the prescription changes at least one half diopter (0.50) during the 365 day period.
13. DIAGNOSTIC, SCREENING, PREVENTIVE AND REHABILITATIVE SERVICES
- 13a. DIAGNOSTIC, SERVICES  
Diagnostic services include any medically necessary procedures or supplies recommended by a physician or other licensed practitioner of the healing arts, within the scope of his or her practice under State law, to identify the existence, nature, or extent of illness, injury, or other health deviation in a beneficiary.
- 13b. SCREENING SERVICES  
Screening services means the use of standardized tests given under medical direction in the mass examination of a designated population to detect the existence of one or more diseases or health deviations or to identify for more definitive studies individuals suspected of having certain diseases.

SC: 23-0017  
EFFECTIVE DATE: 10/01/23  
APPROVAL DATE: 02/01/24  
SUPERSEDES: SC 20-0003



13c. PREVENTIVE SERVICES

Preventive services are those services recommended by a physician or other licensed practitioner of the healing arts acting within the scope of authorized practice under State law to:

- (1) Prevent disease, disability, and other health conditions or their progression;
- (2) Prolong life; and
- (3) Promote physical and mental health and efficiency.

Preventive services include but are not limited to all United States Preventive Services Task Force (USPSTF) grade A and B recommended preventive services. As USPSTF recommendations change overtime, SCDHHS attests that the agency will conduct reviews and update the State Plan benefit coverage and billing codes accordingly, to comply with those changes.

Immunizations

Vaccine and vaccine administration are covered for all full benefit eligible beneficiaries without cost sharing. SCDHHS follows the Advisory Committee on Immunization Practices' (ACIP) recommendations on FDA approved vaccines for individuals aged 19 years or older. As ACIP recommendations change overtime, SCDHHS attests that the agency will conduct reviews and update the State Plan benefit coverage and billing codes accordingly, to comply with those changes.

PREVENTIVE SERVICE FOR PRIMARY CARE ENHANCEMENT

- A. Definition of Service - Preventive Services for Primary Care Enhancement (PSPCE) are services, including assessment and evaluation, furnished by physicians or other licensed practitioners of the healing arts acting within the scope of practice under State law which are furnished in order to:
- Prevent disease, disability, and other health conditions or their progression;
  - Prolong life; and
  - Promote physical and mental health and efficiency.

SC: 23-0017  
EFFECTIVE DATE: 10/01/23  
APPROVAL DATE: 02/01/24  
SUPERSEDES: 14-017

12.c Prosthetic Devices and Medical Supplies, Equipment and Services:

Certain medical services, supplies, and equipment (including equipment servicing) that do not generally vary significantly in quantity will be reimbursed at a rate not to exceed the rate established by the Medicare carrier in the area at the lowest charge level at which the service, supplies, and equipment are widely and consistently available within their locality according to the procedures prescribed in 42 CFR 405.511. A list of these items of service is published in the federal regulations. This upper limit is applicable to such services furnished under both Medicare and Medicaid.

For selected services and items furnished only under Medicaid (and identified and published by the Secretary of HHS by regulations), the Medicaid agency must calculate the lowest charge levels under the procedures specified in 42 CFR 405.511© and (d), and limit payments to that amount.

Pregnant women, individuals participating in family planning services, infants and children up to age 19 will not be subject to co-pay.

Hearing Aids - A consolidated contract between the Department of Health and Human Services (DHHS) and Department of Health and Environmental Control (DHEC) is in effect to provide hearing aids, accessories and repair to eligible Medicaid recipients 21 years old and under using S-codes.

Home Dialysis - Reimbursement for equipment and supplies are included in the all-inclusive rate paid only to the End Stage Renal Dialysis Clinic.

12.d Eyeglasses

Eyeglass services are covered for lenses, frames and other services as outlined in the Physician, Laboratories, and Other Medical Professionals manual to recipients under the age of 21. These services are provided by enrolled retail optical establishments or self-employed ophthalmic dispensers (opticians). Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of eyeglasses. Providers of eyeglasses and contact lenses are reimbursed the lesser of the providers billed charges or fees determined by SCDHHS, which are based on a review of Medicare fees and/or other data available to SCDHHS, such as relevant cost or fee surveys. The agency's fee schedule rate was set as of January 1, 2014 and is effective for services provided on or after that date. All rates are published on the agency's website at [www.scdhhs.gov](http://www.scdhhs.gov).

## 13. DIAGNOSTIC, SCREENING, PREVENTIVE AND REHABILITATIVE SERVICES

13. (a-c) Diagnostic, Screening and Preventive Services

Reimbursement methodology for diagnostic, screening and preventive services follows the methodology established for each respective provider type or setting as defined in the respective section of Attachment 4.19-B of the State Plan. The fee schedule rates for diagnostic, screening and preventive services are effective for services provided on or after the implementation date as outlined in the respective sections of Attachment 4.19-B. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. All rates are published on the agency's website at <https://www.scdhhs.gov/providers/fee-schedules>.

SC: 23-0017  
EFFECTIVE DATE: 10/01/23  
APPROVAL DATE: 02/01/24  
SUPERSEDES: SC 20-0008

13.c.1

Immunization

Reimbursement for vaccines shall be limited to the lowest of:

- (1) the actual acquisition cost (AAC) plus a professional dispensing fee (PDF) of \$10.50
- (2) the State's Maximum Allowable Cost (MAC) plus a PDF of \$10.50
- (3) the usual and customary (U&C) charges to the general public.

The reimbursement for vaccine administration is calculated at 100% of the Medicaid Physician Fee Schedule. 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 rates were set as of September 1, 2021 and are effective for services provided on or after that date. All rates are published on the agency's website at <https://www.scdhhs.gov/providers/fee-schedules>.

All vaccines and vaccine administration services are covered without cost sharing.

13.c.2

Preventive Services for Primary Care Enhancement

Preventive services for Primary Care Enhancement as defined in 3.1-A, pages 6.1a and 6a, paragraph 13.c. must be provided by a physician or other licensed practitioner of the healing arts as required by 42 CFR 440.130(c). The following services will be reimbursed by Medicaid as a preventive service for Primary Care Enhancement:

- (A) Individual preventive services for Primary Care Enhancement provided by a professional (unit of service - 15 minutes)
- (B) Group preventive services for Primary Care Enhancement provided by a professional (unit of service - 15 minutes)
- (C) Assessment provided by a professional (unit of service - 15 minutes)

Effective for services provided on or after October 1, 2012, Medicaid reimbursement rates for preventive services for Primary Care Enhancement will be established at eighty percent (80%) of the 2012 South Carolina Medicare Physician Fee schedule rates for diabetes outpatient self-management training and converted to 15 minute units. Therefore, eighty percent of G0108 will be used to establish the individual service rate while eighty percent of G0109 will be used to establish the group service rate. Both private and governmental providers will receive these rates.

Preventive Services - Disease Management

The disease management program is a preventive service that provides coverage under the Categorically Needy Program (CNP) to all Medicaid beneficiaries who receive services through the South Carolina Medicaid fee-for-service (FFS) system, including those who have one or more of the following diseases: Asthma, Diabetes, or Hypertension.

SC: 23-0017  
EFFECTIVE DATE: 10/01/23  
APPROVAL DATE: 02/01/24  
SUPERSEDES: SC 12-026



## Reimbursement Template -Physician Services

### Increased Primary Care Service Payment 42 CFR 447.405, 447.410, 447.415

#### **Attachment 4.19-B: Physician Services 42 CFR 447.405 Amount of Minimum Payment**

- The rates reflect all Medicare site of service and locality adjustments.
- The rates do not reflect site of service adjustments, but reimburse at the Medicare rate applicable to the office setting.
- The rates reflect all Medicare geographic/locality adjustments.
- The rates are statewide and reflect the mean value over all counties for each of the specified evaluation and management and vaccine billing codes.

The following formula was used to determine the mean rate over all counties for each code: \_\_\_\_\_

#### **Method of Payment**

- The state has adjusted its fee schedule to make payment at the higher rate for each E&M and vaccine administration code.
- The state reimburses a supplemental amount equal to the difference between the Medicaid rate in effect on July 1, 2009 and the minimum payment required at 42 CFR 447.405.

Supplemental payment is made:  monthly  quarterly  semi-annually  annually

#### **Primary Care Services Affected by this Payment Methodology**

- This payment applies to all Evaluation and Management (E&M) billing codes 99201 through 99499.
- The State did not make payment as of July 1, 2009 for the following codes and will not make payment for those codes under this SPA (specify codes).

SC 23-0017  
EFFECTIVE DATE: 10/01/23  
APPROVAL DATE: 02/01/24  
SUPERSEDES: SC 23-0013

**(Primary Care Services Affected by this Payment Methodology – continued)**

The state will make payment under this SPA for the following codes which have been added to the fee schedule since July 1, 2009 (specify code and date added).

**Physician Services – Vaccine Administration**

Medicare Physician Fee Schedule rate

State regional maximum administration fee set by the Vaccines for Children program.

Rate using the CY 2009 conversion factor

Alternative methodology to calculate the vaccine administration rate in effect

7/1/09: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Note: This section contains a description of the state’s methodology and specifies the affected billing codes.

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 20 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

SC 23-0017  
EFFECTIVE DATE: 10/01/23  
APPROVAL DATE: 02/01/24  
SUPERSEDES: SC 23-0013