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State/Territory Name: SOUTH CAROLINA

State Plan Amendment (SPA) #: SC-25-0015

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
230 South Dearborn
Chicago, Illinois 60604



Financial Management Group

March 20, 2026

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

RE: TN SC-25-0015

Dear Director Medina,

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed South Carolina State Plan Amendment (SPA) to Attachment 4.19-B SC-25-0015, which was submitted to CMS on December 30, 2025. This plan amendment updates the reimbursement rate for Rehabilitative Behavioral Health Services.

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of December 1, 2025. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Ysabel Gavino via email at Maria.Gavino@cms.hhs.gov.

Sincerely,



Todd McMillion
Director
Division of Reimbursement Review

Enclosures

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|--|---|------------------------|
| TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES | 1. TRANSMITTAL NUMBER <u>2 5 — 0 0 1 5</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;">December 1, 2025</p> | |
| 5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 440.130; 1905(a)(13)(c) | 6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2026</u> \$ <u>898,743</u> \$996,597 b. FFY <u>2027</u> \$ <u>1,195,916</u> \$1,191,616 | |
| 7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B, pages 6.1d.a, 6.1d.a1 (New Page) | 8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-B, page 6.1d.a | |

9. SUBJECT OF AMENDMENT

This SPA will update reimbursement rates for specified Rehabilitative Behavioral Health Services.

10. GOVERNOR'S REVIEW (Check One)

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| <input type="radio"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="radio"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="radio"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL | <input checked="" type="radio"/> OTHER, AS SPECIFIED: Ms. Medina was designated by the Governor to review and approve all State Plans. |
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| 11. SIGNATURE OF STATE AGENCY OFFICIAL | 15. RETURN TO South Carolina Department of Health and Human Services Post Office Box 8206 Columbia, SC 29202-8206 |
| 12. TYPED NAME Eunice Medina | |
| 13. TITLE Director | |
| 14. DATE SUBMITTED December 30, 2025 | |

FOR CMS USE ONLY

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|--|-------------------------------------|
| 16. DATE RECEIVED December 20, 2025 | 17. DATE APPROVED March 20, 2026 |
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PLAN APPROVED - ONE COPY ATTACHED

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|---|---|
| 18. EFFECTIVE DATE OF APPROVED MATERIAL December 1, 2025 | 19. SIGNATURE OF APPROVING OFFICIAL |
| 20. TYPED NAME OF APPROVING OFFICIAL Todd McMillion | 21. TITLE OF APPROVING OFFICIAL Director, Division of Reimbursement Review |

22. REMARKS

South Carolina authorizes a pen and ink change to block 6 of the CMS 179 to change the FFY 2026 amount to \$996,597 and the FFY 2027 amount to \$1,191,616 - MYLG 3/17/2026

Effective for services provided on or after July 1, 2024, rates for the following rehabilitative behavioral health services will be increased by 5% to account for market trends: diagnostic assessment; individual, family, and group psychotherapy; crisis management; and service plan development delivered by private master's level providers and licensed psychologists. All rates are published in the appropriate fee schedules at the following SCDHHS website address: <https://www.scdhhs.gov/providers/fee-schedules>. This rate increase was approved under state plan amendment 24-0012 with an effective date of July 1, 2024.

Effective for services provided on or after December 1, 2025, rates for the following rehabilitative behavioral health services will be increased to account for market trends:

- Diagnostic assessment
- Behavioral health screening
- Service plan development
- Individual psychotherapy, group psychotherapy, family psychotherapy, multiple family group psychotherapy, crisis management, and medication management
- Psychosocial rehabilitation services (group and individual), behavioral modification, family support, community integration services, and peer support services
- Alcohol and drug assessment, alcohol and drug screening and brief intervention services, alcohol and drug/substance abuse counseling (individual and group), and skills training and development
- Alcohol and drug treatment-subacute detox clinically managed residential, alcohol and drug treatment-acute detox medically managed residential, long-term clinically managed residential, short-term medically-monitored residential

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of RBHS. The agency's fee schedule rate was set as of December 1, 2025, and is effective for services provided on or after that date. All rates are published in the appropriate fee schedules located at <https://www.scdhhs.gov/providers/fee-schedules>.

Assertive Community Treatment (ACT)

Effective for services provided on or after July 1, 2023, the Medicaid agency will implement a fee schedule for rehabilitative services provided to individuals receiving Assertive Community Treatment (ACT). The ACT team shall have among its staff, persons with sufficient individual competence and professional qualifications and experience to provide the services listed below, as described in section 3.1-A Limitation Supplement. ACT teams must be certified by the South Carolina Department of Health and Human Services (SCDHHS).

The fee schedule rates were developed to consider the unique costs of providing services via the ACT model. Services required to be provided by an ACT team are described in section 3.1-A Limitation Supplement.

The billing unit is one day. ACT per diems may be billed only on days when the ACT team has performed face-to-face service with the beneficiary or a family member. Only one per diem may be billed per beneficiary per day.

The unit costs were derived using information gathered from (i) data from the 2022 Bureau of Labor Statistics, National Compensation Survey: Employer costs for Employee Compensation; and (ii) information collected directly from South Carolina ACT providers about topics such as staffing levels, hourly wages and training requirements, number of individuals served, costs related to salaries and wages, transportation expenses, and administrative and program support costs.

There are two different daily rates for ACT services to reflect two different ACT team sizes - small and large - each of which has distinct requirements regarding beneficiary-to-staff ratio and maximum caseload. The rates include clinical staff and supervisor salary and wages, employee related expenses, transportation and fleet vehicle expenses, and administration, program support, and overhead. Total monthly costs were divided by an assumed average number of beneficiaries served (47.5 for a small team and 100 for a large team), which was then divided by 9 (the assumed average of face-to-face contacts per month) to develop the per diem rate.

The ACT fee schedule rates are published at the following SCDHHS website address: <https://www.scdhhs.gov/providers/fee-schedules>. A uniform rate is paid to governmental and non-governmental providers.

Multisystemic Therapy (MST)

Effective on or after January 1, 2024, the Medicaid Agency will reimburse for MST services. MST providers must be part of a licensed MST team in good standing with MST Services, Inc, and have the training required to implement the evidence-based practice. Services are described in section 3.1-A Limitation Supplement.

MST is reimbursed based on a per diem unit of service, which was developed considering the specific costs of implementing this model. The billing unit is one day. MST per diems may be billed only on days when the provider has performed a service with the beneficiary or a family member. Only one per diem may be billed per beneficiary per day.

The unit costs were derived using information gathered from South Carolina MST providers regarding the following: staffing levels; licensing, consultation, and training requirements; volume of MST services provided; costs related to salaries and wages (including cost consideration for providers' availability 24 hours per day, 7 days per week, 365 days per year); transportation expenses; and administrative, overhead, and program support costs.

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 SCDHHS website <https://www.scdhhs.gov/providers/fee-schedules>.

SC 25-0015
EFFECTIVE DATE: 12/01/25
APPROVAL DATE: March 20, 2026
SUPERSEDES: New Page