South Carolina **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

Post Office Box 8206 Columbia, South Carolina 29202-8206 www.scdhhs.gov

January 29, 2008

MEDICAID BULLETIN

HMO 08-04 OMP-NM 08-02

TO: Licensed Midwives

SUBJECT: Birthing Center Reimbursement Procedure Change

The South Carolina Department of Health and Human Services (SCDHHS) is updating its reimbursement procedures for services provided in birthing centers. The Centers for Medicare and Medicaid Services (CMS) do not acknowledge birthing centers as a facility qualified to receive reimbursement. Therefore, effective immediately, all currently enrolled birthing centers will be disenrolled. SDHHS will no longer make payments to this type facility. Reimbursement for services provided at a birthing center will be made directly to the provider that performed the delivery.

Reimbursement will continue to be made to a midwife for a normal vaginal birth when a clean claim is submitted with the appropriate Current Procedural Terminology (CPT) code and modifier. To claim reimbursement for services provided at a birthing center submit a claim with CPT code 59409 and a TC modifier. Reimbursement for these services will not exceed 50% of the statewide average rate for a normal vaginal hospital delivery.

For a complete copy of these policy changes, please refer to the Physician, Laboratories and Other Medical Professionals Provider Manual. The most current version of the provider manual is maintained on the SCDHHS Web site at www.scdhhs.gov. If you have any questions concerning this bulletin, please contact your Program Manager at (803) 898-2660. Thank you for your continued support and participation in the South Carolina Medicaid Program.

/s/

Emma Forkner Director

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