

South Carolina  
**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
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[www.scdhhs.gov](http://www.scdhhs.gov)

July 24, 2007

# MEDICAID BULLETIN

*MC-DRC* 07-11  
*MHRC-COC* 07-06  
*MHRC-MHC* 07-11  
*MHRC-MRC* 07-06  
*MHRC-PMHC* 07-10

**TO: Residential Children's Behavioral Health Services Providers and Child Placing State Agencies**

**SUBJECT: Changes to Treatment Rates for Residential Service Providers**

The Department of Health and Human Services (DHHS) previously informed group home representatives and child placing state agencies that in order to reduce any potential liability to the state, DHHS will limit Medicaid reimbursement to existing levels of care and incrementally reduce the current per diem rate over a period of three years.

The first incremental rate reduction will take effect with dates of service beginning **August 1, 2007**. The per diem treatment rate for providers of Therapeutic Behavioral Services, formerly High and Moderate Management Group Homes and Supervised Independent Living Skills, has been reduced. Effective with dates of service on and after **August 1, 2007**, the new reimbursement rates for these services are as follows:

<b>Therapeutic Behavioral Services High Management</b>	<b>\$68.00/day</b>
<b>Therapeutic Behavioral Services Moderate Management</b>	<b>\$32.00/day</b>
<b>Therapeutic Behavioral Services Supervised Independent Living</b>	<b>\$32.00/day</b>

As not to have any adverse impact on beneficiaries and providers, a new allocation of state general funds in the amount of \$13,000,000 has been appropriated by the General Assembly. DHHS will allocate and transfer the \$13,000,000 to child placing state agencies to offset the reduction in treatment rates. DHHS will continue to work with child placing agencies and group home representatives to explore allowable funding options that meet the criteria for Medicaid reimbursement and to implement a transition plan.

Questions regarding this bulletin should be directed to Ms. Jean C. McDaniel at (803) 898-2565. Thank you for your continued willingness to provide quality services to the children of the South Carolina Medicaid Program.

/s/

Susan B. Bowling  
Acting Director

SBB/mj

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