

South Carolina  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
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July 15, 2009

Phys  
MCO  
Hosp

## MEDICAID BULLETIN

**TO: Hospitals, Physicians and Managed Care Providers**

**SUBJECT: Policy Updates – Reconstructive Surgery Following Mastectomies and Inpatient Hospital Retrospective Review – Denied Admissions**

Effective with dates of service on or after August 1, 2009, the South Carolina Department of Health and Human Services (SCDHHS) will implement the following policy changes:

### **I. Reconstructive Surgery Following Mastectomies**

Reimbursement is allowed for reconstructive breast surgery following a mastectomy when performed for the removal of cancer or for prompt repair of accidental injury. Reimbursement will also be allowed for the reconstruction of both breasts following a bilateral mastectomy when medical evidence supports the removal of both breasts because of the high incidence for the development of cancer in the unaffected breast. Prior authorization must be obtained from our Quality Improvement Organization (QIO), Qualis Health. InterQual screening criteria applies. Any questions concerning Qualis Health processes should be directed to the Qualis Health staff at (877) 717-8592.

### **II. Inpatient Hospital Retrospective Review – Denied Admissions**

When a QIO retrospective review of an inpatient claim determines that the service/procedure did not meet the criteria for an admission, SCDHHS will recoup the entire paid inpatient claim amount. Providers will no longer be allowed to retain the equivalent of a one-day stay reimbursement. The hospital staff will receive notification from SCDHHS that recoupment of the entire paid claim is forthcoming.

If you have any questions regarding this bulletin, please contact your Program Representative for Hospital Services at (803) 898-2665. Thank you for your continued support and participation in the South Carolina Medicaid program.

/s/

Emma Forkner  
Director

EF/mgvb

**Note: To sign up for Electronic Funds Transfer of your Medicaid payment, please go to**

<http://www.dhhs.state.sc.us/dhhsnew/hipaa/index.asp> and select "Electronic Funds Transfer (EFT)" for instructions.