

Log # 275

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Atlanta Regional Office  
61 Forsyth Street, Suite 4T20  
Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

June 15, 2015

Mr. Christian Soura  
Director  
SC Department of Health and Human Services  
Post Office Box 8206  
Columbia, South Carolina 29202-8206

**RECEIVED**

JUN 18 2015

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

Attention: Sheila Chavis

RE: Title XIX State Plan Amendment, SC 15-001

Dear Mr. Soura:

We have reviewed the proposed South Carolina State Plan Amendment, SC 15-001, which was submitted to the Atlanta Regional Office on March 30, 2015. This state plan updates the payment methodology for Primary Care Services for certain providers and updates the pediatric subspecialty program by adding Child Abuse Pediatrics to the program.

Based on the information provided, the Medicaid State Plan Amendment SC 15-001 was approved on June 15, 2015. The effective date of this amendment is January 1, 2015. We are enclosing the approved HCFA-179 and the plan pages.

If you have any additional questions or need further assistance, please contact Maria Drake at (404) 562-3697, Clarence Lewis at (803) 898-7647, or Cheryl Wigfall at (803) 252-7299.

Sincerely,

A handwritten signature in cursive script that reads "Jackie Glaze".

Jackie Glaze  
Associate Regional Administrator  
Division of Medicaid & Children's Health Operations

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:  
SC 15-001

2. STATE  
South Carolina

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE  
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE  
January 1, 2015

5. TYPE OF PLAN MATERIAL (*Check One*):

NEW STATE PLAN                       AMENDMENT TO BE CONSIDERED AS NEW PLAN                       AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION:  
42 CFR 440.50

7. FEDERAL BUDGET IMPACT:  
a. FFY 2015 \$ 5,562,900 (7,875,000 x .7064)  
b. FFY 2016 \$ 7,417,200 (10,500,000 x .7064)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 3.1-A Limitation Supplement, page 3  
Attachment 4.19-B, page 2a.3 & 2b

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (*If Applicable*):

Attachment 3.1-A Limitation Supplement, page 3  
Attachment 4.19-B, page 2a.3 & 2b

10. SUBJECT OF AMENDMENT:

This amendment updates the payment methodology for Primary Care services for certain providers and updates the pediatric subspecialty program by adding Child Abuse Pediatrics to the program.

11. GOVERNOR'S REVIEW (*Check One*):

GOVERNOR'S OFFICE REPORTED NO COMMENT  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:  
Mr. Soura was designated by the Governor  
to review and approve all State Plans

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:  
Christian L. Soura

14. TITLE:  
Director

15. DATE SUBMITTED:  
March 31, 2015

16. RETURN TO:

South Carolina Department of Health and Human Services  
Post Office Box 8206  
Columbia, South Carolina 29202-8206

**FOR REGIONAL OFFICE USE ONLY**

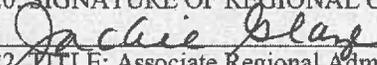
17. DATE RECEIVED: 03-30-15

18. DATE APPROVED: 06-15-15

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:  
01/01/15

20. SIGNATURE OF REGIONAL OFFICIAL:



21. TYPED NAME: Jackie Glaze

22. TITLE: Associate Regional Administrator  
Division of Medicaid & Children Health Opns

23. REMARKS: Approved with following changes as authorized by state agency on emails dated 05/12/15 and 04/24/15

Block # 7b changed to read: FFY2016 \$7,463,400.

Block #8 changed to read: Attachment 3.1-A Limitation Supplement, Pages 3 and 3a, Attachment 4.19-B pages 2a.3 and 2b.

Block #9 changed to read: Attachment 3.1-A Limitation Supplement, Pages 3 and 3a, Attachment 4.19-B pages 2a.3 and 2b.

5. Physician Services

Physician Services are limited to procedures performed, or directly supervised by a practitioner licensed by the appropriate State Board of Medical Examiners as a doctor of medicine or osteopathy. Services are further limited to those rendered by an enrolled physician provider on behalf of an eligible recipient within the designated South Carolina Service Area. All services must be medically necessary and appropriate for the diagnosis and treatment of a specified condition. Physician Services may be rendered in a physician's office, clinic, hospital, nursing home, patient's home or elsewhere.

Technical Services, including materials that are supplied by a physician in an ambulatory setting are considered part of the physician's professional service unless specifically designated as a separate service in the South Carolina Medicaid Physician, Clinical and Ancillary Services Manual.

Physician supervision is restricted to services provided under the direct supervision of a physician directing a paramedical professional or other licensed individual. The physician must be responsible for all services rendered and be accessible at all times during the diagnosis and treatment of the patient.

Primary Care Providers:

Primary Care Providers are defined as those medical personnel that provide routine or preventive care. Primary care providers include, but are not limited to, Family Practitioners, General Practitioners, Internists, Nurse Practitioners, Osteopaths, OB/GYN, and Pediatricians.

Pediatric Sub-specialist Providers:

Pediatric sub-specialists are defined as those physicians who a) in his/her practice have at least 85% of their patients who are children 18 years or younger; b) practice in the field of Adolescent Medicine, Cardiology, Cardiothoracic Surgery, Child Abuse Pediatrics, Critical Care, Emergency Medicine, Endocrinology, Gastroenterology/Nutrition, Genetics, Hematology/Oncology, Infectious Disease, Nephrology, Neurology, Neurological Surgery, Ophthalmology, Orthopedic Surgery, Otolaryngology, Psychiatry, Pulmonology, Rheumatology, Surgery, Urology and such other pediatric sub-specialty areas as may be determined by the Department of Health and Human Services.

Ambulatory Care Examinations:

Effective October 1, 1991, Ambulatory Care Examinations are limited to twelve (12) visits per State fiscal year (July - June) per recipient. All ambulatory care examinations prior to October 1, 1991, will not count toward the twelve (12) visit limitation. Recipients under the age of 21 years are

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SUPERSEDES: MA 05-004

exempt from the twelve (12) visit limitation. Ambulatory care exams include all physician office examinations for general medical diagnoses and specialty care. Included in the ambulatory care restrictions are rural health clinic encounters and initial psychiatric visits. Surgery, therapy, family planning, diagnostic tests, monitoring, and maintenance management are not included in the twelve (12) visits limitation. The South Carolina Department of Health and Human Services may approve additional ambulatory care visits when medically necessary. Limitation will be based on medical necessity. To receive coverage over the 12-visit limit, providers must submit a letter directly to SCDHHS requesting additional visits. The letter must be on office letterhead and include the provider's National Provider Identifier (NPI) number, the patient's name and Medicaid ID number, the medical reason for the request and the physician's signature.

Hospital Services rendered by a physician are not restricted but are subject to the pre-admission review process, medical necessity criteria and the limitations included in the hospital section of the plan.

All services listed in the Current Procedural Terminology Text (CPT), and the HCPCS Supplemental Coding Manual are allowed services unless restricted in the Medicaid Physician, Clinical and Ancillary Services Manual. These services include, but are not limited to, general medical care, diagnostic services, therapeutic services, reconstructive and medically necessary surgeries, maternal care, family planning, rehabilitative and palliative services, lab, x-ray, injectable drugs, and dispensable and supplies not restricted in other areas of the plan or the Medicaid provider manuals.

Speech, physical, and occupational therapy coverage for beneficiaries over the age of 21 is limited to the provision of services when one of the following requirements are met: (1) the attending physician prescribes therapy in the plan of treatment during an inpatient hospital stay and therapy continues on an outpatient basis until that plan of treatment is concluded; (2) the attending physician prescribes therapy as a direct result of outpatient surgery; or (3) the attending physician prescribes therapy to avoid an inpatient hospital admission.

For EPSDT eligible beneficiaries under the age of 21 speech and hearing services are covered based on medical necessity and must be prior authorized by South Carolina Department of Health and Environmental Control (SCDHEC), The Department of Disabilities and Special Needs or a school district. For physical, and occupational therapy, services are available through rehabilitation centers certified by SCDHEC, and through individual practitioners who are licensed by either the South Carolina Board of Physical Therapy Examiners or the South Carolina Board of Occupational Therapy and enrolled in the South Carolina Medicaid program. All Physician services that an optometrist is legally authorized to perform are included in physicians' services under this plan and are reimbursed whether furnished by a physician or an optometrist.

Vision care services are defined as those that are medically necessary for the diagnosis and treatment of conditions of the visual system and the provision of lenses and/or frames as applicable. Routine eye examination with refraction is covered for EPSDT eligible children under the age of 21. This benefit is limited to one every 365 days, if medically necessary. Any other medically necessary vision care services are covered during the 365 day period for adults and EPSDT eligible beneficiaries under the age of 21. 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.

All other physicians except for obstetricians, OB/GYN and maternal fetal medicine practitioners are paid 78 percent of the 2009 SC Medicare Fee Schedule. This rate was last updated on July 11, 2011. See Page 0 of Attachment 4.19-B.

EPSDT well code visits are paid 95 percent of the 2009 SC Medicaid Fee Schedule. This rate was last updated on July 11, 2011. See page 0 of Attachment 4.19-B.

Payment for vaginal deliveries is \$1,100. C-section deliveries are paid \$1000. This rate was last updated on July 11, 2011. See page 0 of Attachment 4.19-B.

For those procedures that are non-covered by Medicare, reimbursement is based on data collected within the Medicaid Management Information System or by a review conducted by medical personnel to establish the relative value. The Anesthesiologist will be reimbursed at 60 percent of the Medicaid physician fee schedule rate for providing medical directed supervision of a Certified Registered Nurse Anesthetist (CRNA). The agency's fee schedule rates were set as of July 11, 2011 and are effective for services provided on or after that date. Medicaid bulletins informing the providers of the fee schedule rate changes, as well as the fee schedule itself, are available on the agency's website at <http://www.scdhhs.gov/ServiceProviders/FeeSchedules.asp>.

Enhanced Primary Care Payments

Effective for dates of service on or after January 1, 2015 Primary Care Physicians enrolled as Family Practice, General Practice, Gynecology, Internal Medicine, Obstetrics, Obstetrics & Gynecology, Pediatrics, Psychiatry, and Child Psychiatry will receive an enhanced Medicaid rate for certain Evaluation, Management and vaccine Current Procedural Terminology codes. SCDHHS will continue to utilize the fee schedule approved by CMS effective January 1, 2014 for the Federal enhanced payment program. For vaccines administration codes the state will reimburse based on the state regional maximum administration fee set by the Vaccines for Children program in effect January 1, 2014. All rates are published at [www.scdhhs.gov](http://www.scdhhs.gov). Below is the list of codes that qualify for enhanced payments.

Primary Care Procedure Codes											
99201	99217	99231	99243	99283	99308	99328	99347	99384	99397	99461	99472
99202	99218	99232	99244	99284	99309	99334	99348	99385	99401	99462	99475
99203	99219	99233	99245	99285	99310	99335	99349	99386	99402	99463	99476
99204	99220	99234	99251	99288	99315	99336	99350	99387	99403	99464	99477
99205	99221	99235	99252	99291	99316	99337	99354	99391	99404	99465	99478
99211	99222	99236	99253	99292	99318	99341	99356	99392	99406	99466	99479
99212	99223	99238	99254	99304	99324	99342	99360	99393	99407	99467	99480
99213	99224	99239	99255	99305	99325	99343	99381	99394	99408	99468	99499
99214	99225	99241	99281	99306	99326	99344	99382	99395	99409	99469	
99215	99226	99242	99282	99307	99327	99345	99383	99396	99460	99471	
Vaccines Administration Codes											
90460	90461	90471	90472	90473	90474						

Effective July 1, 2005, pediatric sub-specialist providers will receive an enhanced Medicaid rate for Evaluation & Management (E&M), medical & surgical procedure codes. These enhanced rates will not exceed 116 percent of the 2009 Medicare fee schedule for all covered E&M Current Procedural Terminology (CPT) codes 99201 - 99499. All other covered CPT codes will not exceed 97 percent of the 2009 Medicare fee schedule. The Pediatric sub-specialty fee schedule is located at <http://www.scdhhs.gov/ServiceProviders/FeeSchedules.asp>. Pediatric sub-specialist providers are those medical personnel that meet the following criteria: a) have at least 85% of their patients who are children 18 years or younger; b) practice in the field of Adolescent Medicine, Cardiology,

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SUPERSEDES: SC 11-018

Cardiothoracic Surgery, Child Abuse Pediatrics, Critical Care, Emergency Medicine, Endocrinology, Gastroenterology/Nutrition, Genetics, Hematology/Oncology, Infectious Disease, Nephrology, Neurology, Neurological Surgery, Ophthalmology, Orthopedic Surgery, Otolaryngology, Psychiatry, Pulmonology, Rheumatology, Surgery, Urology and such other pediatric sub-specialty areas as may be determined by the Department of Health and Human Services.

South Carolina Medical University Providers - Supplemental Medicaid Payments:

South Carolina Medical University providers are defined as those providers who are employed by or under contract with South Carolina Medical Universities and/or their component units. Effective for services beginning on or after July 1, 2013, the Medicaid agency will cap provider specific enrollment of teaching physicians eligible to receive payment under this program at the level identified in the March 2013 provider specific quarterly teaching physician report. The term level refers to the number of teaching physicians reflected within the March 2013 provider specific quarterly teaching physician report which incurred claims during this quarter. Therefore for each supplemental teaching physician provider, the Medicaid agency will cap the number of teaching physicians to be allowed in the calculation of the quarterly supplemental teaching physician payment to no more than the number of teaching physicians listed in the March 2013 provider specific quarterly teaching physician report which incurred claims during this quarter for quarterly supplemental teaching physician payments beginning with the July 1, 2013 quarter.

In Addition to fee for service payments, the SCDHHS will pay a quarterly, enhanced teaching fee to each participating South Carolina Medical University. The enhanced teaching payment will be equal to 35% of the actual, billed Medicaid charges. Total Medicaid reimbursement, which includes the fee for service payment and the enhanced teaching fee adjustment, shall not exceed the prevailing charges in the locality for comparable services under comparable circumstances for physician practices. For clinics, total Medicaid reimbursement, which includes the fee for service payment and the enhanced teaching fee adjustment, shall not exceed costs. This payment methodology will sunset September 30, 2015.

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