

Oct. 19, 2020

# PUBLIC NOTICE

## **Amendment for the Medically Complex Children (MCC) Waiver**

The South Carolina Department of Health and Human Services (SCDHHS) gives notice that it intends to file an amendment with the Centers for Medicare and Medicaid Services (CMS) related to the Medically Complex Children (SC.0675) Home and Community Based Services (HCBS) waiver operated by SCDHHS. The approved effective date of the existing waiver is Jan. 1, 2017. The effective date for the proposed waiver amendment is upon CMS approval.

The following is a summary of changes included in the proposed waiver amendment:

### **1. Update the rate methodology used to determine the rate increase for Pediatric Medical Day Care (PMDC) in Appendix I of the MCC waiver application.**

- a. As part of the Pricing Project – Phase II, changes to the reimbursement methodologies for PMDC have been developed that support a rate increase for PMDC. The updated methodology requires an amendment to the MCC waiver application and requires a public notice period. That period will begin later this month.

The rate methodology in the current MCC waiver application references a cost build-up model and indicates the PMDC rate was: 1) established after a survey of a neighboring states' reimbursement rates for similar services; and, 2) further verified by an evaluation of the costs for the day care services provided as part of the medically fragile program administered by SCDHHS prior to the implementation of the MCC waiver.

- b. The PMDC rate was developed using a market-based pricing approach. This methodology incorporated a cost-based assessment of existing provider staffing and operating costs. Allowable cost components were identified to reflect costs that are reasonable, necessary and related to the delivery of the service. Market-based research was performed to inform the development of the assumptions for various cost components. Based on inputs from the cost-based assessment from the PMDC provider and actuarial calculations using market-based research, a low and high rate scenario was developed. From this, a midpoint range was calculated that reflects the new rate for PMDC.
- ### **2. Rate increase for PMDC:** Update Appendix J-1 and J-2D to reflect a rate increase for PMDC. Revisions are proposed to the cost neutrality demonstration as a result of a rate increase for waiver years four and five. The proposed rate is \$28.50 for waiver year four and \$29.35 for waiver year five.

Current waiver participants will not be adversely impacted.

**Communication:**

On Dec. 3, 2019, May 12, 2020, and June 9, 2020, the Pricing Project Phase II, which included a rate increase for PMDC, was provided as an advisement to the Medical Care Advisory Committee (MCAC) at 1801 Main Street, Columbia, SC 29201. On Oct. 13, 2020, these changes to the waiver were presented to the MCAC.

In addition, information regarding the proposed changes in the amendment will be shared with the public during the following webinar:

**Webinar:**

MCC Waiver Amendment

Oct. 26, 2020

10 a.m.

Registration Link:

<https://scdhhs.webex.com/scdhhs/onstage/g.php?MTID=ebde095ad70754051ce71402431b40ad4>

A copy of this notice and the MCC waiver application are available at the following locations:

1. Electronic access: [www.scdhhs.gov](http://www.scdhhs.gov) (under “Public Notice” and “Waiver” sections)
2. Hardcopies:
  - a. SCDHHS Central Office Lobby: 1801 Main Street, Columbia, SC 29201
  - b. SCDHHS Community Long Term Care (CLTC) Regional Offices:

Aiken CLTC

2361 S. Centennial Avenue, Building 2, Suite B  
Aiken, SC 29803

Greenwood CLTC

617 South Main Street  
Greenwood, SC 29646

Anderson CLTC

3215 Martin Luther King Jr. Boulevard, Suite H  
Anderson, SC 29625

Orangeburg CLTC

191 Regional Parkway, Building A  
Orangeburg, SC 29118

Charleston CLTC

4130 Faber Place Drive, Suite 303  
North Charleston, SC 29405

Ridgeland CLTC

10175 South Jacob Smart Boulevard  
Ridgeland, SC 29936

Columbia CLTC

300 Arbor Lake Drive, Suite 900  
Columbia, SC 29223

Rock Hill CLTC

454 South Anderson Road, Suite 11  
Rock Hill, SC 29730

Conway CLTC  
1201 Creel Street  
Conway, SC 29527

Spartanburg CLTC  
101 North Pine Street, Suite 405  
Spartanburg, SC 29302

Florence CLTC  
2701 Alex Lee Blvd.  
Suite 200  
Florence, SC 29506

Sumter CLTC  
30 Wesmark Court  
Sumter, SC 29150

Greenville CLTC  
620 North Main Street, Suite 300  
Greenville, SC 29601

**Public Comments and Responses:**

If you have a question or comment, please send it to the following mail or email address prior to Nov. 19, 2020:

Email: [comments@scdhhs.gov](mailto:comments@scdhhs.gov)

Mail: Attention: Margaret Alewine  
Division of Health Programs  
South Carolina Department of Health and Human Services  
Post Office Box 8206  
Columbia, SC 29202-8206

Any written comments submitted may be reviewed by the public at SCDHHS, Division of Health Programs, 1801 Main Street, Columbia, SC 29201 from Monday-Friday, 8:30 a.m. - 5 p.m.

Questions will be compiled, answered and posted on the SCDHHS website under the "Public Notice" and "Waiver" sections after Nov. 19, 2020. If you would like to receive an electronic copy of a summary of the public comments and responses, please provide your email address in correspondence you send. If you would like to review a hard copy of the summary of public comments and responses, they may be reviewed at SCDHHS CLTC Regional Offices after Nov. 19, 2020.