

**South Carolina Department of Health and Human Services  
Medical Care Advisory Committee  
Item for Committee Advisement**

**PREPARED BY:** Alexis Martin, Russell Morrison, Brenda Hyleman

**PRESENTED BY:** Dr. Peter Liggett

**DATE:** March 11, 2013

**SUBJECTS:** Deletion of Integrated Personal Care (IPC) from State Plan  
Development of the Optional State Coverage of Assisted Living Providers (OSCAP)  
Amendment of the Community Choices Waiver to Include a New Service for Residents residing in Assisted Living Facilities

**OBJECTIVE:** To amend the State Plan by removing the IPC service references as directed by the Centers for Medicare and Medicaid Services (CMS) to be in compliance with the requirements in the Code of Federal Regulation (CFR). To develop a state funded program (OSCAP) as a viable alternative to the IPC program, and to enhance quality of care requirements for assisted living providers. To amend the Community Long Term Care Waiver to include a personal care service for eligible people living in assisted living facilities.

**BACKGROUND:** IPC has been a covered service in the SCDHHS State Plan since 2002. The intent of the program is to provide enhanced reimbursement for residents living in assisted living facilities that require a higher degree of personal care assistance. CMS notified SCDHHS that the IPC service was out of compliance since it was not available to all eligible Medicaid recipients, and restricted provision to ones who live in assisted living facilities. SCDHHS is in the process of transforming the Optional State Supplementation (OSS) program to the OSCAP program utilizing all state funds to continue to provide the enhanced payment. SCDHHS will utilize a similar level of care criteria that was used in the IPC program for medical necessity and similar provider requirements to assure quality of care. Prior authorizations will be completed on all new OSS applicants starting July 1, 2013. Existing OSS residents will be evaluated over the next two years. Any Medicaid resident who meets the nursing home level of care may be added to the CLTC Community Choices waiver and receive waiver service while in the facility if the waiver amendment to add this new service is approved by CMS. The waiver amendment will be submitted to CMS in March 2013.

**BUDGETARY IMPACT:** The budgetary impact is projected at \$7 million for the first year for a total budget of \$29 million.

**EXPECTED OUTCOMES:** Any Medicaid participant meeting the medical necessity criteria who resides in a contracted facility will be eligible to receive assistance through the OSCAP program. If they meet the nursing home level of care, they will be eligible to receive waiver services through CLTC.

**EXTERNAL GROUPS AFFECTED:** CRCF Providers,

**RECOMMENDATION:** Amend the State Plan to remove the IPC program, add a new service to the CLTC waiver, and develop/implement the OSCAP program.

**EFFECTIVE DATE:** July 1, 2013

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