

**South Carolina**  
**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**Post Office Box 8206**  
**Columbia, South Carolina 29202-8206**  
[www.scdhhs.gov](http://www.scdhhs.gov)

July 9, 2012

## MEDICAID BULLETIN

**ALL**

**TO: Providers Indicated**  
**SUBJECT: Birth Outcomes Initiative Modifiers**

In July 2011, the South Carolina Department of Health and Human Services (SCDHHS) began partnering with the South Carolina Hospital Association (SCHA), the March of Dimes, other state agencies, public and private providers and payors, consumers and advocacy groups in an effort to reduce the number of low birth weight babies born in South Carolina. One of the first steps towards this goal was the elimination of non-medically necessary elective inductions and elective cesareans prior to 39 weeks gestation.

In the Fall of 2011, SCDHHS and SCHA secured a written commitment from all 43 birthing hospitals to end the practice of elective deliveries and elective inductions prior to 39 weeks gestation. There is substantial clinical support that early deliveries contribute to substandard health outcomes for children and costly neonatal intensive care unit utilization. In an effort to more accurately identify and track the occurrences of non-medically necessary early deliveries, SCDHHS has established tracking modifiers that must be used when billing.

Effective for dates of service on or after August 1, 2012, providers will be required to append the following modifiers and in some cases complete the ACOG Patient Safety Checklist, or comparable patient safety justification form, when scheduling an induction of labor or a planned cesarean section for deliveries less than 39 weeks gestation. The provider is responsible for maintaining a copy of this documentation in their files and in the hospital record which are subject to SCDHHS Program Integrity review. Copies of ACOG and BOI approved delivery guidelines, which justify elective inductions and deliveries prior to 39 weeks gestation and the ACOG Patient Safety Checklists are located online in the appendix section of the Physicians, Laboratories and Other Medical Professionals manual at [www.scdhhs.gov](http://www.scdhhs.gov).

Providers should append the following modifiers to all CPT codes when billing for vaginal deliveries and cesarean sections:

- **GB - 39 weeks gestation and or more**
  - For all deliveries at 39 weeks gestation or more regardless of method (induction, cesarean section or spontaneous labor).
- **CG - Less than 39 weeks gestation**
  - For deliveries resulting from patients presenting in labor, or at risk of labor, and subsequently delivering before 39 weeks, or
  - For inductions or cesarean sections that meet the ACOG or approved BOI medically necessary guidelines, the appropriate ACOG Patient Safety Checklist must be completed and maintained for documentation in the patient's file, or
  - For inductions or cesarean sections that do not meet the ACOG or approved BOI guidelines, the appropriate ACOG Patient Safety Checklist must be completed. Additionally, the provider must obtain approval from the regional perinatal center's Maternal Fetal Medicine physician and maintain this as documentation in the patient's file.

- **No Modifier - Elective non-medically necessary deliveries less than 39 weeks gestation**
  - For deliveries less than 39 weeks gestation that do not meet ACOG or approved BOI guidelines or are not approved by the designated regional perinatal center's Maternal Fetal Medicine physician.

This billing change will not affect payment for services related to deliveries for dates of service on or after August 1 through October 31, 2012. Based on the analysis of the claims data received during this 90-day period, SCDHHS will release a subsequent Bulletin indicating the next steps regarding non-payment or prior authorization of these services. This bulletin applies to fee for service, medical homes networks and managed care organization participants.

If you have any questions concerning this bulletin, please contact the Provider Service Center at (888) 289-0709. Thank you for your continued support and participation in the South Carolina Healthy Connections Medicaid Program.

/s/  
Anthony E. Keck  
Director