



**Medical Care Advisory Committee (MCAC)
September 17, 2013
10:00AM-12:00PM**

I. Welcome by Agency Director

- Proviso 33.34 update

II. Advisements

- Disproportionate Share Hospitals (DSH)
- Hospital Rates
Jeff Saxon, Program Manager, Office of Finance and Administration
- Recovery Audit Contractor (RAC)
Kathleen Snider, Program Manager, Office of compliance and Performance Review
- Air Ambulance
Bryan Amick, Pharmacy Director
- Program of All-Inclusive Care for the Elderly (PACE)
Nathaniel Patterson, Program Director, Health Services
- DDSN Case Management Waiver
Pete Liggett, Deputy Director, Office of Long Term and Behavioral Health Services

III. SCDHHS Deputy Updates

John Supra, Deputy Director and CIO, Office of Information Management

- Enrollment trends
- Eligibility (October 1st planning and January 1st planning)
- Replacement Eligibility System
- ICD-10 Planning and Implementation

Deirdra Singleton, Deputy Director, Office of Health Programs

- Managed Care
- ACA Enhanced Primary Care Payments
- MCO Incentive Payments SFY13

Melanie "Bz" Giese, Program Director, Office of Health Outcomes Initiatives

- Obesity
- Birth Outcomes Initiative (BOI)
- Screening Brief Intervention Referral to Treatment (SBIRT)

Beth Hutto, Interim Deputy Director, Office of Finance and Administration

- FY13 Budget overview
- FY14 Budget Year to Date

IV. Public Comment

V. Closing Comments

VI. Adjournment

Freedom of Information Act/Americans with Disabilities Act Compliance Pledge

This meeting is in compliance with the Freedom of Information Act's mandate that the public be notified when the public's business is being done, and that furthermore, the public has been notified that this facility is accessible to individuals with disabilities, and special accommodations could have been provided if requested in advance.

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

PREPARED BY: Kara Lewis and George Maky

PRESENTED BY: Pete Liggett, Ph.D.

DATE: August 28, 2013

SUBJECT: Amendments to the following Home and Community-Based Waiver programs: Intellectually Disabled/Related Disabilities (ID/RD) (formerly known as the Mental Retardation/Related Disabilities (MR/RD)); Head and Spinal Cord Injury (HASCI); Pervasive Developmental Disability (PDD), and Community Supports (CS).

The State is planning the following amendments:

- Add the waiver case management (WCM) service to the ID/RD, HASCI and CS programs, and amend the PDD program to incorporate the same service definition (PDD has a different version of case management);
- Update the quality assurance sections for the WCM service, and as needed;
- Update all applicable waiver applications to remove the term “mentally retarded” and replace with “intellectually disabled” in keeping with Federal and State law; and
- Update the Adult Day Health Care definition in the ID/RD waiver to remove the medical complexity requirement.

OBJECTIVE: To receive Federal approval for these waiver amendments.

BACKGROUND: The State has utilized the state plan Targeted Case Management service for participants in three (3) of the above waiver programs, and PDD offered a version of case management. Related to the clarification of Medicaid TCM policies, the State will implement one waiver case management service to ensure waiver requirements are addressed appropriately for all four (4) of these waivers.

BUDGETARY IMPACT: There is no intent to take Medicaid funding from direct service delivery, but rather to ensure it is appropriately and effectively directed to the performance of approved Medicaid case management activities.

EXPECTED OUTCOMES:

- Consistent service definition across these four (4) waiver programs;
- Increased frequency of contact and monitoring of waiver services and participants who are some of Medicaid’s highest cost beneficiaries. New service will require:
 - Monthly contacts; and
 - Minimum of quarterly face to face visits, with a minimum of two (2) face to face visits with the participant in their residence;

EXTERNAL GROUPS AFFECTED:

- Waiver participants;

- County Disability and Special Needs Boards and private providers of waiver case management services;
- SCDDSN;

RECOMMENDATION: Proceed with submitting waiver amendments to CMS.

EFFECTIVE DATE: The State anticipates requesting waiver amendments with effective dates of February 2014 or upon CMS approval.

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

PREPARED BY: Kathleen Snider, Bureau Chief, Compliance & Performance Review

PRESENTED BY: Kathleen Snider

DATE: September 17, 2013

SUBJECT: Recovery Audit Contractor State Plan Amendment (SPA) Request

OBJECTIVE: SCDHHS is seeking a SPA to allow the agency's Recovery Audit Contractor to identify overpayments and underpayments in claims that might be more than three years old from the date of payment.

BACKGROUND: The Medicaid Recovery Audit Contractor (RAC) program is established under requirements found in 42 CFR 455 Subpart F. The RAC program was established as a measure to promote the integrity of the Medicaid program. States must enter into contracts with eligible Medicaid RACs in order to review claims submitted by Medicaid providers for the purpose of identifying overpayments and underpayments. Federal regulations, however, prohibit the RAC from reviewing claims that are older than 3 years from the date of the claim unless it receives approval from the State.

SCDHHS currently has a contract with a recovery audit contractor for this work. SCDHHS has determined, in order to maximize the effectiveness of the RAC, there may be limited occasions when the RAC needs to review claims that are more than three year old.

BUDGETARY IMPACT: Not applicable

EXPECTED OUTCOMES: SCDHHS has greater flexibility in directing the work of the RAC.

EXTERNAL GROUPS AFFECTED: Not applicable

RECOMMENDATION: Approve the State Plan Amendment

EFFECTIVE DATE: October 1, 2013

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

PREPARED BY: Jeff Saxon, Program Manager II, Office of Finance and Administration

PRESENTED BY: Jeff Saxon, Program Manager II, Office of Finance and Administration

DATE: August 30, 2013

SUBJECT: Disproportionate Share (DSH) Payment and Reporting Requirements Effective October 1, 2013

OBJECTIVE: To update the South Carolina Medicaid DSH Payment and Reporting Requirements for qualifying DSH hospitals effective October 1, 2013 based upon the requirements of Budget Proviso #33.34 of the State Fiscal Year (SFY) 2013/2014 State Appropriations Act.

BACKGROUND: In accordance with the requirements of Budget Proviso #33.34 and to base DSH payments effective October 1, 2013 using the most recent data available, the SCDHHS will make the following changes to its SC Medicaid DSH payment and reporting requirements effective October 1, 2013:

- The agency will update the base year used to calculate the October 1, 2013 through September 30, 2014 (FFY 2013/2014) Disproportionate Share Hospitals (DSH) interim payments using hospital fiscal year end 2012 data, the continued use of the December 19, 2008 Final Rule, and any future clarification guidance/policy changes that may be provided by the Centers for Medicare and Medicaid Services (CMS) as it relates to the final rule.
- The agency will update the inflation rate used to trend the DSH base year cost to the end of the 2012 calendar year.
- The agency will continue the use of its qualification criteria to determine those Disproportionate Share (DSH) hospitals that will be subject to a reduction in their FFY 2013/2014 DSH payments. The qualification criteria will be developed using as filed hospital fiscal year (HFY) 2011 South Carolina Medicaid fee for service and uninsured individuals' total inpatient and outpatient hospital costs, the South Carolina Medicaid Managed Care Organization (MCO) enrollees total inpatient and outpatient hospital costs, and the Medicare/Medicaid eligible and Medicaid/Commercial inpatient and outpatient hospital costs. The DSH payment reductions generated from this analysis will be spread to the remaining SC Medicaid DSH eligible hospitals (excluding the SCDMH owned hospitals).
- The agency will expend one hundred percent of its FFY 2013/2014 Medicaid DSH allotment to qualifying DSH eligible hospitals during the Medicaid State Plan Rate Year.
- In accordance with Budget Proviso # 33.34 of the SFY 2013/2014 South Carolina State Appropriations Act, the agency will implement its Healthy Outcomes Initiative. Under this initiative, SC Medicaid DSH qualifying hospitals that choose to participate will be required to enter into a Memorandum of Understanding (MOU) with qualifying primary care safety

net providers to co-manage chronically ill uninsured high-utilizers of emergency room services.

- In accordance with Budget Proviso # 33.34 of the SFY 2013/2014 South Carolina State Appropriations Act, the agency will create a separate \$20 million (total dollar) DSH pool from the existing FFY 2013/2014 DSH allotment that will be spread among the South Carolina defined rural hospitals as defined in Attachment 4.19-A of the SC Medicaid State Plan. This pool payment will be in addition to the SC defined rural hospital base DSH payment amount determined in accordance with the FFY 2013/2014 DSH payment methodology.
- The agency will ensure that all hospitals that participate in the Healthy Outcomes Initiative and submits a Healthy Outcomes Plan will receive 100% of its calculated DSH payment for the FFY 2013/2014 DSH payment period. South Carolina defined non-rural DSH hospitals that choose not to participate in the Healthy Outcomes Initiative will only receive 90% of its calculated DSH payment for the FFY 2013/2014 DSH payment period and the remaining balance (i.e. 10%) will be redistributed among the South Carolina designated non-rural DSH hospitals that participated in the Healthy Outcomes Initiative. In order for SC defined non-rural DSH hospitals to receive 100% of the DSH calculated payment amount for FFY 2013/2014, successful compliance will be measured by the submission of the application, entering into a MOU(s) with qualifying primary care safety net providers, participating in reporting via attestations, and participating in the agency evaluation of this initiative.
- The agency will ensure that in accordance with Budget Proviso # 33.34, all South Carolina Medicaid-designated rural hospitals must participate in the Healthy Outcomes Initiative to receive the full coverage of its uncompensated care (not to exceed \$20M total funds) under the Rural Hospital DSH Payment initiative. South Carolina Medicaid-designated rural hospitals that do not participate in the Healthy Outcomes Initiative will be ineligible to receive any of the \$20M additional DSH funding available under the Rural Hospital DSH Payment initiative. Any remaining balance of the \$20M additional DSH funding that may become available will be redistributed among the South Carolina Medicaid designated rural general acute care hospitals that participated in the Healthy Outcomes Initiative and will not exceed the hospital specific DSH limit of each hospital. Successful compliance by the South Carolina Medicaid defined rural hospitals will be measured by the submission of the application, entering into a MOU(s) with qualifying primary care safety net providers, participating in reporting via attestations, and participating in the agency evaluation of this initiative.
- The agency will ensure that all DSH-eligible hospitals will be required to participate in the Disproportionate Share Payment Accountability Initiative. Therefore, effective on the following dates the following requirements must be implemented and put into effect by all DSH-eligible hospitals in order to continue to receive DSH payments from the SC Medicaid Program beginning with the FFY 2013/2014 DSH payment period as determined in accordance with the changes outlined below:

1. Claims-level detail applicable to all uninsured individuals eligible for whom the hospital seeks compensation via DSH must be submitted to the agency for discharges/dates of service beginning on and after January 1, 2014.
 2. All DSH-eligible hospitals (excluding out-of-state border hospitals and SCDMH hospitals) must obtain attestations from uninsured patients for whom the hospital seeks compensation via DSH for discharges/dates of service beginning on and after January 1, 2014. The attestation will be in a form prescribed by SCDHHS and will serve to confirm that the patient is aware the Medicaid DSH program acts as a payor of last resort and that the patient is aware of other resources available to assist in payment.
- The agency will review current hospital charity care policies and subsequently establish a uniform policy for determining which claims should be eligible for payment via DSH for all DSH-eligible hospitals (excluding SCDMH hospitals) effective for discharges/services provided on or after January 1, 2014.

BUDGETARY IMPACT: Annual aggregate Medicaid DSH expenditures beginning October 1, 2013 are expected to increase by approximately \$17.30 million (total dollars).

EXPECTED OUTCOMES: Medicaid and uninsured recipient access to inpatient and outpatient hospital services will be maintained/may improve.

EXTERNAL GROUPS AFFECTED: Contracting Medicaid hospitals, Medicaid eligible recipients, and uninsured individuals.

RECOMMENDATION: Move to amend the current state plan to allow for the DSH payment and reporting requirement changes outlined above effective on or after October 1, 2013.

EFFECTIVE DATE: October 1, 2013

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

PREPARED BY: Jeff Saxon, Program Manager II, Office of Finance and Administration

PRESENTED BY: Jeff Saxon, Program Manager II, Office of Finance and Administration

DATE: August 30, 2013

SUBJECT: Inpatient Hospital Rate Updates and Outpatient Hospital Multiplier Updates Effective October 1, 2013

OBJECTIVE: To update the South Carolina general acute care hospitals Medicaid inpatient hospital specific per discharge rate as well as its hospital specific outpatient multiplier based upon funding provided via budget proviso #33.34 of the State Fiscal Year 2013/2014 State Appropriations Act. .

BACKGROUND: The SCDHHS will update the Medicaid inpatient hospital specific per discharge rates as well as the hospital specific outpatient multipliers for South Carolina general acute care hospitals effective October 1, 2013. This will be done by increasing the November 1, 2012 hospital specific inpatient base rate component by three percent. The Direct Medical Education and Indirect Medical Education rate components of the hospital specific per discharge rates will not be subject to the three percent increase. The statewide hospital per discharge rate and the out of state border hospital specific per discharge rates will remain at the November 1, 2012 payment level. The free standing short term psychiatric hospital specific per discharge rates will also remain at the November 1, 2012 payment level.

In regards to the hospital specific outpatient hospital multipliers, the SCDHHS will increase the November 1, 2012 hospital specific outpatient multipliers by three percent. The Direct Medical Education component of the multiplier will not be subject to the three percent increase. The statewide hospital specific outpatient multiplier of 93% and the out of state border hospitals' outpatient multipliers will remain at the November 1, 2012 level. The statewide South Carolina Medicaid outpatient hospital fee schedule rates will not be impacted by this and thus will remain at their current level.

In regards to the SCDHHS defined rural hospitals and qualifying burn intensive care unit hospitals, the agency will reimburse these hospitals at one hundred percent of its allowable Medicaid reimbursable costs on a retrospective basis for inpatient and outpatient hospital services provided to South Carolina Medicaid fee for service individuals for discharges/services incurred on or after October 1, 2013.

Finally, the SCDHHS will update the swing bed and administrative day rates to reflect the current average adjusted nursing facility rates effective October 1, 2013.

BUDGETARY IMPACT: Annual aggregate expenditures are expected to increase by approximately \$35.0 million (total dollars) for both Medicaid fee for service and Medicaid managed care enrollees.

EXPECTED OUTCOMES: Medicaid recipient access to inpatient and outpatient hospital services will be maintained/may improve.

EXTERNAL GROUPS AFFECTED: Contracting Medicaid hospitals and Medicaid recipients.

RECOMMENDATION: Move to amend the current state plan to allow for the: (1) - October 1, 2013 inpatient hospital specific per discharge rate update for SC general acute care hospitals; (2) – October 1, 2013 hospital specific outpatient hospital multiplier update for the SC general acute care hospitals; (3) – change in the retrospective cost settlement amount for the SC defined rural hospitals and qualifying burn intensive care unit hospitals (from 97% to 100% of its allowable Medicaid reimbursable inpatient and outpatient hospital reimbursable costs) effective for discharges/services provided on and after October 1, 2013 and; (4) – October 1, 2013 administrative day rate and swing bed rate update for all hospitals which provide these services.

EFFECTIVE DATE: October 1, 2013

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

PREPARED BY: Teeshla Curtis

PRESENTED BY: Nathaniel Patterson

DATE: September 17, 2013

SUBJECT: State Plan Amendment (SPA) Related to Reimbursement Methodology for the Program of All-Inclusive Care for the Elderly (PACE)

OBJECTIVE: To amend the State Plan reimbursement methodology for PACE

BACKGROUND: PACE is a benefit under Medicare and an optional state benefit under Medicaid that focuses entirely on persons 55 and older who are frail enough to meet their state's standards for nursing home care. The program brings together all the medical, functional and social services needed for someone who otherwise might be in a nursing home. A day health center is the key component to managing care and monitoring the condition of these frail elders. A team, including a physician, registered nurse, therapists and other health professionals, assesses the participant's needs, develops a comprehensive plan of care and provides for total care. Generally, services are provided in the adult day health center, but also may be given in the participant's home, a hospital, long-term care facility, or in a nursing home. There is no co-pay, deductible or limit on services as authorized by the Interdisciplinary Team.

Enrollment is voluntary, and once enrolled, PACE becomes the sole source of all Medicare and Medicaid covered services, as well as any other items or medical, social or rehabilitation services the PACE interdisciplinary team determines an enrollee needs. If a participant requires placement in a nursing home, PACE is responsible and accountable for the care and services provided and regularly evaluates the participant's condition.

A PACE organization receives a fixed monthly payment from Medicare and Medicaid for each participating beneficiary, depending on their Medicare and Medicaid eligibility. The payments remain the same during the contract year, regardless of the services a participant may need. There are currently two PACE organizations in South Carolina: Palmetto Senior Care (serving approximately 301 participants in Richland and Lexington Counties) and The Oaks PACE (serving approximately 112 participants in Orangeburg and Calhoun Counties). A third program serving Greenville County is currently in the early planning stages with a projected start date of May 2015.

Further, these programs have not had a rate increase since 2008 and were subject to a 3 percent rate reduction in 2011.

BUDGETARY IMPACT: The amended methodology will be adjusted by developing capitation rates gross of patient liability and processing net payments to plans for each enrollee based on their respective patient liability amount in accordance with CMS regulations as detailed in the PACE capitation rate checklist. In addition to the methodology change, SCDHHS will also adjust the PACE

upper payment limit and capitation rate calculation to incorporate more recent data and assumptions.

The amended reimbursement methodology will result in a rate increase of 13.1 percent and 7.4 percent for the dual eligible and Medicaid only participants, respectively.

EXPECTED OUTCOMES: Since PACE is a capitated coordinated care program, SCDHHS plans to have these rates reviewed annually by Milliman on the same cycle as the managed care organization (MCO) capitation rates.

EXTERNAL GROUPS AFFECTED: PACE Organizations in South Carolina

RECOMMENDATION: To submit the SPA to the Centers for Medicare and Medicaid Services changing the reimbursement methodology for PACE.

EFFECTIVE DATE: October 1, 2013, pending CMS approval.

Health Initiatives : MCAC

Program Director, BZ Giese, RN

September 17, 2013

Obesity

SCDHHS will address obesity in adults from 4 levels of intervention and evaluation:

- **Statewide** by allowing billing of the obesity program codes for reimbursement to providers and licensed dietitians
- **Clinical intervention in DHHS targeted counties** – as related to physician and Licensed Dietitians (*Darlington, Edgefield, Hampton, Williamsburg*)
- **Clinical intervention in DHEC targeted counties** - partner with DHEC programs and link providers to other programs within their counties (i.e Weight Watchers, Jenny Craig, Weight Management programs) *Bamberg, Laurens, Orangeburg, Fairfield, Spartanburg*
- **Pursue a SNAP waiver pilot in the 9 counties** – Recipients of both Medicaid and SNAP benefits who voluntarily sign up for the waiver participation; could receive double incentives through SNAP as well as opportunities for membership in weight management classes (*could be a year and a half negotiation process at minimum*)

Obesity cont.

DHHS is addressing obesity with children by providing solutions to 2 previously missing links:

- 1). In April 2013, recognizing obesity as a disease so pediatricians can bring patients in for services related to being obese when identified in EPSDT Screening (there are 27 in the periodicity schedule to age 21)
- 2). Providing access to services of a Licensed Dietitian via referral from clinician

DHHS will work on process improvement for Pediatricians seeing obese patients in the 9 target counties

- More target-specific obesity education through SCMA/CME
- Linking providers with *Eat Smart Move More!* obesity tool kits for use in the practice,
- HIT/DHEC working together to coordinate and link physicians to resources county by county
- Encourage peer-to-peer review between providers.

Obesity cont.

Obesity Next Steps:

- Health Initiatives Team has developed matrices for the multi-level approach
- Once matrices are approved we will meet with Department of Social Services (DSS) and Department of Health and Environmental Control (DHEC) to review plans and coordinate efforts
- SCDHHS will also work with SCMA to provide CME training for all Medicaid providers

Suggested Model:

1 hour obesity overview, 1 hour Adult obesity

1 hour Pediatrics and obesity, 1 hour “How to Bill”

- SCDHHS will evaluate all of the factors listed above to determine an official “Go Live Date”, but we anticipate January 2014 or earlier

SC Birth Outcomes Initiative (BOI)

- Twelve states contacted us to learn more on BOI and other associated programs (such as LARCS and SBIRT)
- Catalyst for Payment Reform (CPR) has completed a 14 page case study of SC BOI. Will be published nationally in October
- From 0 to 2 Baby Friendly Hospitals: *(Roper St. Francis Mt. Pleasant and Waccamaw Community Hospital in Murrells Inlet) Two in Stage Four*
- Sept 30 deadline for race to date money (\$1 million)

SC Birth Outcomes Initiative (BOI)

- 2nd Annual BOI Symposium scheduled for November 14th. National speakers include:
 - Dr. Michael Lu, *US Department of Health and Human Services*
 - Dr. Scott Berns, *March of Dimes National Office*
 - Dr. Kathryn Menard, *UNC Maternal-Fetal Medicine*
 - Mary Alice Grady, *MS, CNM, CenteringHealthcare Institute*

Online registration is be available

SAVE THE DATE!

for the 2nd Annual
South Carolina

**Birth Outcomes
Initiative**

Symposium

THURSDAY, NOV. 14 · 9 a.m. - 4 p.m.

William L. Yates Conference Center
South Carolina Hospital Association
1000 Center Point Road
Columbia, SC 29210

Presented by

South Carolina Health & Human Services | South Carolina Hospital Association | march of dimes

SBIRT

Screening Brief Intervention Referral to Treatment

<small>*As of July 2013</small>	Screens H0002	Brief Interventions H0004
Billed	8,179	1,285
Payments	\$116,884	\$34,720

- SBIRT screening tool now available for on Palmetto Health's Cerner EMR system
- McCloud Regional next hospital to target online use of the screening tool through their EMR, eClinicalWorks
- BCBSSC upon final review will be incorporating our SBIRT tool into practice and will start reimbursing providers who perform the screenings and brief interventions

Current Budget to Year to Date Actual Spending (Unofficial)
As of July 31, 2013

Budget by Major Program and Spending Purpose	FY 2014 Appropriation	FY 2014 YTD as of 7/31/13	Remaining	% Expended
<u>SCDHHS Medicaid Assistance</u>				
Coordinated Care	\$2,156,884,310	\$ 137,699,779	\$ 2,019,184,531	6%
Hospital Services	717,588,840	64,414,127	653,174,713	9%
Disproportionate Share	480,128,621	128,782,115	351,346,506	27%
Nursing Facilities	566,082,607	43,564,526	522,518,081	8%
Pharmaceutical Services	207,504,803	13,277,063	194,227,740	6%
Physician Services	215,045,913	11,622,396	203,423,517	5%
Community Long-term Care (CLTC)	175,719,588	11,050,632	164,668,956	6%
Dental Services	108,718,650	6,988,340	101,730,310	6%
Clinical Services	70,883,609	5,409,167	65,474,442	8%
Transportation Services	71,285,456	5,729,448	65,556,008	8%
Medical Professional Services	40,127,635	2,793,032	37,334,603	7%
Durable Medical Equipment	35,676,910	2,317,101	33,359,809	6%
Lab & X-Ray Services	27,606,007	1,839,702	25,766,305	7%
Family Planning	23,604,665	1,814,396	21,790,269	8%
Hospice	12,603,013	1,061,165	11,541,848	8%
Program of All-Inclusive Care (PACE)	12,275,306	990,623	11,284,683	8%
EPSDT	11,221,979	775,260	10,446,719	7%
Home Health Services	7,279,544	870,625	6,408,919	12%
Integrated Personal Care (IPC) *****	1,270,818	366,549	904,269	29%
Optional State Supplement (OSS)	23,843,357	1,346,467	22,496,890	6%
Premiums Matched	193,123,041	14,236,964	178,886,077	7%
MMA Phased Down Contributions	82,300,000	6,815,154	75,484,846	8%
Premiums 100% State	17,900,000	1,213,442	16,686,558	7%
Children's Community Care	11,947,674	962,716	10,984,958	8%
Behavioral Health	19,298,042	1,554,691	17,743,351	8%
Total SCDHHS Medicaid Assistance	\$ 5,289,920,388	\$ 467,495,480	\$ 4,822,424,908	9%
<u>SCDHHS Other Health Programs</u>				
Alcohol and Other Drug Abuse Services ****	\$ -	\$ 732,560	\$ (732,560)	
Commission for the Blind	-	-	-	
Continuum of Care	20,434,175	370,012	20,064,163	2%
Corrections (DOC)	4,016,069	185,805	3,830,264	5%
Disabilities & Special Needs (DDSN)	562,521,328	59,053,528	503,467,800	10%
Education (DOE)	50,433,725	3,903,513	46,530,212	8%
Health & Environmental Control (DHEC)	17,192,275	1,200,584	15,991,691	7%
SC First Steps to School Readiness	700,000	-	700,000	0%
Juvenile Justice (DJJ)	5,558,355	112,268	5,446,087	2%
Medical University of SC (MUSC)	36,387,256	675,169	35,712,087	2%
Mental Health (DMH)	154,400,000	7,205,535	147,194,465	5%
State Housing Authority	345,000	47,264	297,736	14%
School for Deaf & Blind	4,003,210	334,949	3,668,261	8%
Social Services (DSS)	16,210,670	490,814	15,719,856	3%
University of South Carolina (USC)	3,704,711	7,488	3,697,223	0%
Wil Lou Gray Opportunity School	34,650	2,727	31,923	8%
Emotionally Disturbed Children	36,229,166	1,823,165	34,406,001	5%
Other Entities Funding	11,267,559	352,574	10,914,985	3%
MUSC Maxillofacial	225,086	-	225,086	0%
State Agencies & Other Entities	\$ 923,663,235	\$ 76,497,955	\$ 847,165,280	8%
<u>Medical Contracts</u>				
Medical Contracts	\$ 175,614,817	\$ 4,456	\$ 175,610,361	0%
Non-Recurring/Capital Program *	-	-	-	
Total Medical Contracts	\$ 175,614,817	\$ 4,456	\$ 175,610,361	0%
<u>SCDHHS Operating Expenditures</u>				
Personnel & Benefits	\$ 64,799,418	\$ 4,752,370	60,047,048	7%
Other Operating Costs	28,546,639	387,326	28,159,313	1%
Total SCDHHS Operating Expenditures	\$ 93,346,057	\$ 5,139,696	\$ 88,206,361	6%
Total Budget - Annual Budget Appropriation	\$ 6,482,544,497	\$ 549,137,587	\$ 5,933,406,910	8%

Current Budget to Year to Date Actual Spending (Unofficial)
As of June 30, 2013

Budget by Major Program and Spending Purpose	FY 2013 Appropriation	FY 2013 YTD as of 6/30/13	Remaining	% Expended
<u>SCDHHS Medicaid Assistance</u>				
Coordinated Care	\$1,710,451,398	\$ 1,543,284,075	\$ 167,167,323	90%
Hospital Services	771,900,000	731,806,273	40,093,727	95%
Disproportionate Share	480,128,621	454,881,035	25,247,586	95%
Nursing Facilities	514,901,045	497,687,259	17,213,786	97%
Pharmaceutical Services	224,499,959	181,727,214	42,772,745	81%
Physician Services	183,047,463	171,039,238	12,008,225	93%
Community Long-term Care (CLTC)	172,018,430	158,305,416	13,713,014	92%
Dental Services	97,915,517	100,477,289	(2,561,772)	103%
Clinical Services	68,925,459	64,269,944	4,655,515	93%
Transportation Services	49,658,076	62,591,726	(12,933,650)	126%
Medical Professional Services	47,691,730	37,816,899	9,874,831	79%
Durable Medical Equipment	41,400,000	31,783,980	9,616,020	77%
Lab & X-Ray Services	28,631,876	26,657,015	1,974,861	93%
Family Planning	23,703,720	21,886,766	1,816,954	92%
Hospice	12,490,000	12,827,178	(337,178)	103%
Program of All-Inclusive Care (PACE)	13,809,328	11,784,696	2,024,632	85%
EPSDT	10,864,132	8,700,388	2,163,744	80%
Home Health Services	6,670,524	8,620,477	(1,949,953)	129%
Integrated Personal Care (IPC) *****	5,270,600	4,818,638	451,962	91%
Optional State Supplement (OSS)	17,632,480	16,471,316	1,161,164	93%
Premiums Matched	198,100,000	151,556,760	46,543,240	77%
MMA Phased Down Contributions	82,300,000	81,828,866	471,134	99%
Premiums 100% State	18,100,000	14,079,988	4,020,012	78%
Total SCDHHS Medicaid Assistance	\$ 4,780,110,358	\$ 4,394,902,436	\$ 385,207,922	92%
<u>SCDHHS Other Health Programs</u>				
Alcohol and Other Drug Abuse Services ****	\$ 13,249,431	\$ 10,894,801	\$ 2,354,630	82%
Commission for the Blind	39,805	-	39,805	0%
Continuum of Care	6,590,057	5,230,068	1,359,989	79%
Corrections (DOC)	2,333,948	2,686,761	(352,813)	115%
Disabilities & Special Needs (DDSN)	560,536,408	512,182,877	48,353,531	91%
Education (DOE)	50,000,000	47,222,149	2,777,851	94%
Health & Environmental Control (DHEC)	14,158,264	16,596,860	(2,438,596)	117%
SC First Steps to School Readiness	-	-	-	-
Juvenile Justice (DJJ)	3,350,020	5,177,448	(1,827,428)	155%
Medical University of SC (MUSC)	41,858,252	24,353,768	17,504,484	58%
Mental Health (DMH)	155,000,000	136,658,174	18,341,826	88%
State Housing Authority	330,000	425,296	(95,296)	129%
School for Deaf & Blind	4,778,795	3,266,414	1,512,381	68%
Social Services (DSS)	12,412,716	6,417,508	5,995,208	52%
University of South Carolina (USC)	5,742,100	3,386,569	2,355,531	59%
Wil Lou Gray Opportunity School	30,000	23,238	6,762	77%
Emotionally Disturbed Children	37,732,690	24,581,159	13,151,531	65%
Other Entities Funding	23,960,020	11,134,566	12,825,454	46%
MUSC Maxillofacial	225,086	225,086	-	100%
State Agencies & Other Entities	\$ 932,327,592	\$ 810,462,742	\$ 121,864,850	87%
<u>Medical Contracts</u>				
Medical Contracts	\$ 144,321,685	\$ 121,186,337	\$ 23,135,348	84%
Non-Recurring/Capital Program *	-	-	-	-
Total Medical Contracts	\$ 144,321,685	\$ 121,186,337	\$ 23,135,348	84%
<u>SCDHHS Operating Expenditures</u>				
Personnel & Benefits	\$ 63,511,002	\$ 55,728,105	7,782,897	88%
Other Operating Costs	19,275,106	42,839,416	(23,564,310)	222%
Total SCDHHS Operating Expenditures	\$ 82,786,108	\$ 98,567,521	\$ (15,781,413)	119%
Total Budget - Annual Budget Appropriation	\$ 5,939,545,743	\$ 5,425,119,036	\$ 514,426,707	91%

South Carolina Department of Health and Human Services

MCAC

September 17, 2013

Deirdra Singleton, Deputy Director

Managed Care Updates

1. Managed Care (MCO) Plan Transitions
2. Medical Home Network (MHN) Conversions
3. Medicaid Coordinated Care Improvement Group (CCIG) Meeting Schedule
4. ACA Enhanced Primary Care Payments (PCP)

Managed Care: MCO Transitions & MHN Conversions

Health Plan	Members	Go-Live Date
<i>MCOs (transitions)</i>		
UHC to WellCare	51,461	10/1/2013
<i>MHNs–MCOs (conversions)</i>		
SCS to Molina	134,982**	12/1/2013
PPC to Advicare	19,194**	12/1/2013
CMH to WellCare	15,669**	12/1/2013
Notes: •CMH = Carolina Medical Homes •PPC = Palmetto Physician Connections •SCS = South Carolina Solutions •UHC = UnitedHealthcare •** Reflects transfer of Dual and Waiver members to FFS scheduled to occur on 10/1/2013		

Medicaid Coordinated Care Improvement Group (CCIG)

Meeting Dates (CY 2013)	Topics	Locations
May 1, 2013	<ol style="list-style-type: none"> 1. Regional Networks 2. Payment Reform 	<i>BCBSSC MCCS Training Room 8901 Farrow Rd. Columbia, SC 29203</i>
August 15, 2013	<ol style="list-style-type: none"> 1. Payment Reform 	<i>T. Ashton Phillips Market Center SC State Farmer's Market 3501 Charleston Hwy. West Columbia, SC 29172</i>
October 10, 2013	<ol style="list-style-type: none"> 1. Payment Reform 2. Care/Case Management 3. 2014 MCO Contract 	<i>SC Medical Association (SCMA) Board Room 132 Westpark Blvd. Columbia, SC 20212</i>
TBD (November 2013)	TBD	TBD

Notes

- CCIG Website (<https://msp.scdhhs.gov/ccig/>)
- CCIG Email: ccig@scdhhs.gov

ACA Enhanced Primary Care Payments (PCPs): MCO Updated Figures

- 1st Quarter CY 2013 Jan-March MCO Payments made end of July
- Total payments for 1st quarter encounter data to all plans was **\$6,836,466.68**
 - Select Health: **\$4,486,808.30**
 - WellCare/United HealthCare: **\$516,641.61**
 - BlueChoice: **\$832,349.75**
 - ATC: **\$1,000,667.02**
- ATC and United made physician payments in August and Select Health made physician payments 1st week of September

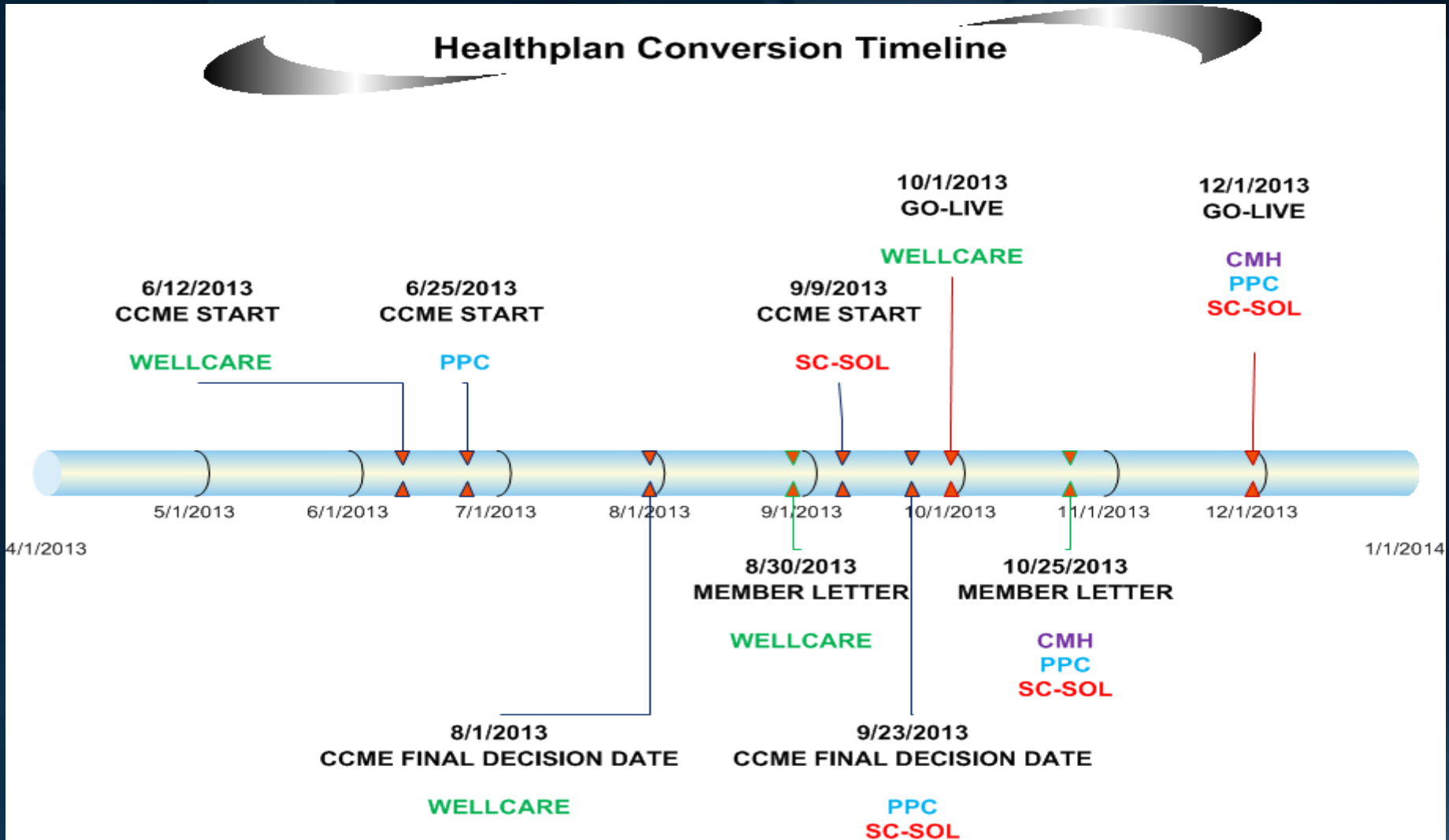
ACA Enhanced Primary Care Payments (PCPs): MCO Updated Figures

- 2nd Quarter CY 2013 April-June MCO Payments preliminary figures
- Total payments for 2nd quarter encounter data currently indicate total payment of \$6,723,209.92
 - Select Health: **\$3,981,843.85**
 - WellCare/United HealthCare: **\$645,131.94**
 - BlueChoice: **\$951,873.48**
 - ATC: **\$1,144,360.65**
- File review and corrections are currently being completed and payments to the MCO's should be made later in the month of September.

MCO Incentive Payments SFY 13

- For SFY 13 SCDHHS has made a total payments to the MCO's of \$1,454,100.35 for the Patient Centered Medical Home (PCMH) incentive
 - Total practice representation has increased from 66 to 166 medical practices from the 1st to 4th quarter of SFY 13
- Total Screening Brief Intervention, Referral and Treatment (SBIRT) incentive payments through 4th quarter SFY 13 (MCO's currently reviewing 4th quarter data for final payment)
 - Select Health: \$27,220
 - Absolute Total Care: \$10,900
 - BlueChoice: \$12,160
 - WellCare/United HealthCare: \$5,320
- Total MCO Centering Incentive payments were \$10,000

Healthplan Conversion Timeline



SCDuE – MOU & Status Updates

- The Memorandum of Understanding (MOU) is the formal agreement between CMS and SCDHHS related to operations and other key components of the Demonstration.
- The SCDuE team is finalizing MOU negotiations with CMS and anticipates it being signed later this month.
- Six plans have submitted formal letters of application. The names of all applicants will be released this week.

SCDuE – Other Updates

- Participating in the Center for Health Care Strategies' (CHCS) new initiative, Improving New Systems of Integration for Dual Eligibles (INSIDE)
 - Fall 2014 (First meetings: September 25-27, 2013)
 - Broad range of technical assistance with program design and implementation
- Demonstration name:
 - In development, to be finalized September 2013
- New SCDuE website:
 - Review process: September 2013
 - Launch date: October 2013
- Provider forums:
 - October 2013

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

PREPARED BY: Valeria Williams

PRESENTED BY: Bryan Amick

DATE: 8/3/82013

SUBJECT: Amend the state plan to reflect the effective date of the FY2014 Air Ambulance fee schedule revision.

OBJECTIVE: Provide timely notification to CMS of proposed rate changes.

BACKGROUND: Currently emergency air ambulance transport is provided if 911 is called and the beneficiary is transported for emergency conditions (e.g., collision, drowning, fall, etc.). This state plan is required to post the effective date of this rate change in the state plan.

BUDGETARY IMPACT: The budget impact for this program update will be an estimated \$160,000 per fiscal year.

EXPECTED OUTCOMES:

- CMS will be aware of the pending rate schedule adjustments prior to the effective date. They will have an opportunity to address any concerns prior to implementation.
- The State Plan will clearly indicate the states last revision of the rates associated with this program.

EXTERNAL GROUPS AFFECTED:

- All Medicaid fee for service Air Ambulance providers.

RECOMMENDATION:

- Amend our State Plan to update the effective date for Air Ambulance services by October 1, 2013.

EFFECTIVE DATE: On or after October 1, 2013

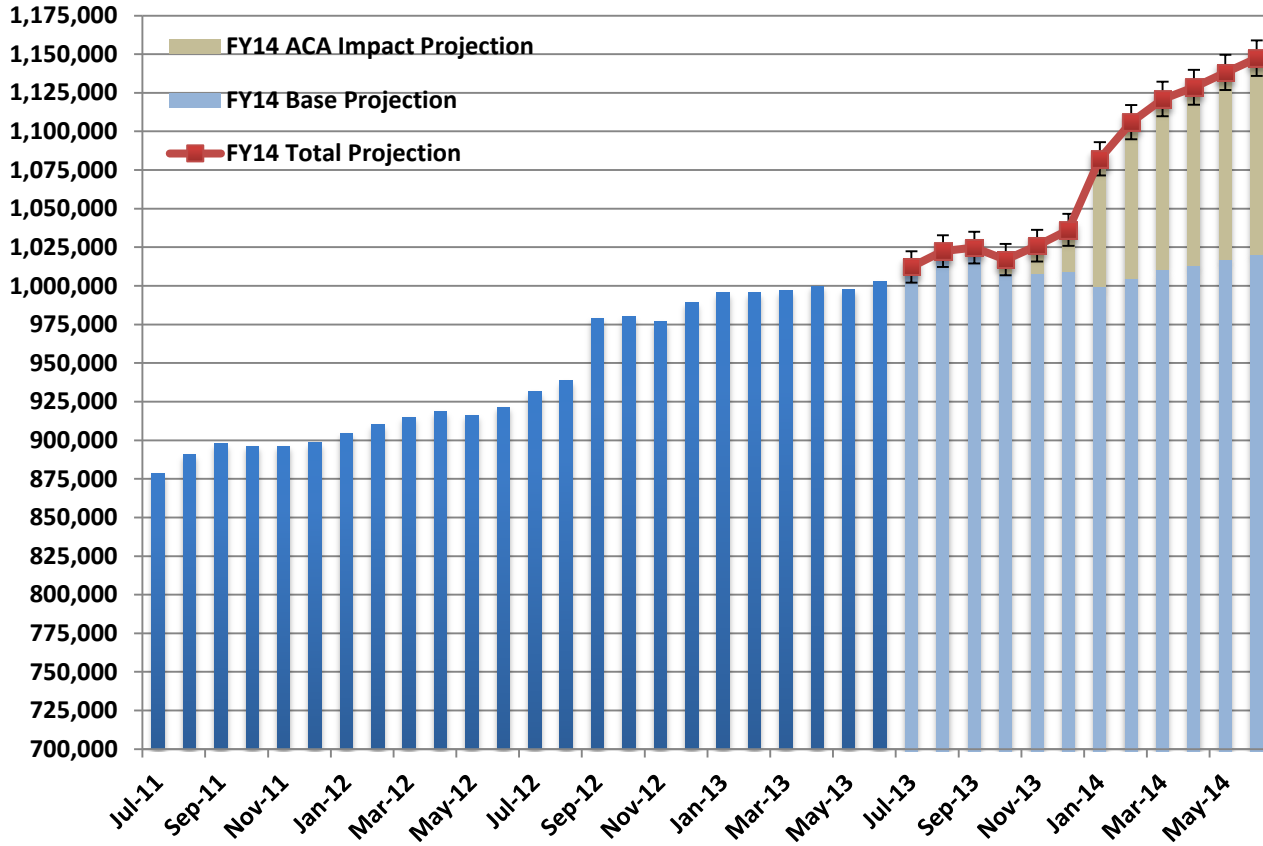


South Carolina Department of Health and Human Services

Medical Care Advisory Committee (MCAC)
September 17, 2013

John Supra, Deputy Director

Trends in Medicaid Enrollment



FY 2014 June 2014 enrollment projection 1,147,500.

FY 2014 member months projection is 12,885,142.

ACA impact from currently eligible but unenrolled member projection for June 2014 is 127,049.

ACA impact from currently eligible but unenrolled member months projection for FY 2014 is 712,609.

Strategies for identifying and enrolling eligible but unenrolled:

- *SNAP/TANF adults (DSS)*
- *Reduced lunch children (DoE)*

Source: MMIS, most recent three months are preliminary enrollment data. SFY2014 projections from Milliman Forecast based on preliminary data through June 2013.

Eligibility & October 1st Planning

• Online Application Process

- New applications in online replacement system
- Initial MAGI assessments completed by system
- Staff will transfer information to MEDS (remains system of record until January 2014)

• Interactions with Federal Marketplace

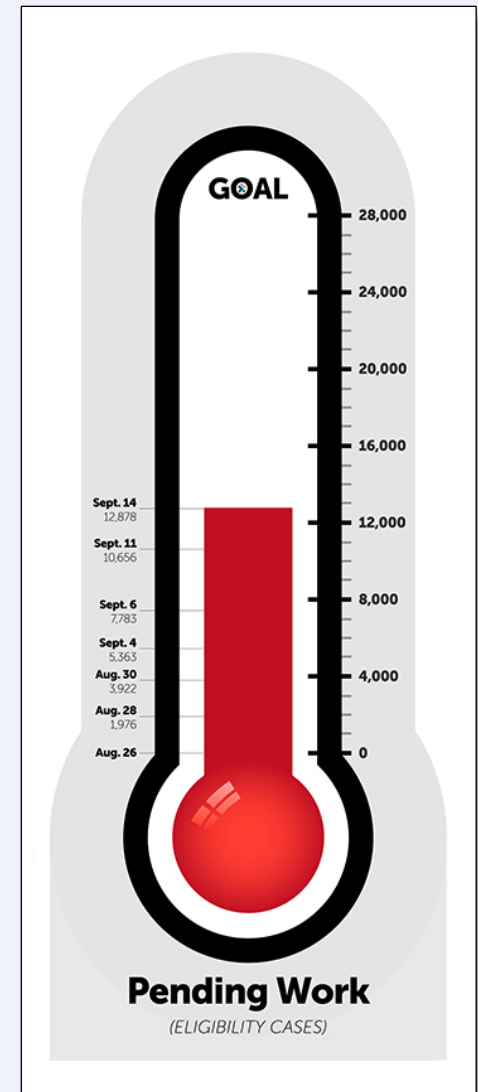
- Transferring accounts to and receiving accounts from Federal Marketplace (FFM/exchange)

• Elimination of Application Backlog

- Required application scanning/imaging system
- Project to eliminate existing backlog by early October – 28,000 pending cases

• Expanded Call Center Support

- Focus on directing citizens to the right place



Replacement Eligibility System

SOUTH CAROLINA

Healthy Connections



See what free or affordable health coverage options are available to you and your family.

Adults in your household:

Children under 18 in household:

Total annual household income:

[▶ See your options](#)

I Need Help

- Frequently Asked Questions
- Find a Navigator or Certified Application Counselor

Questions?

Call 1-888-549-0802

Federal Insurance Marketplace

Federal Insurance Marketplace

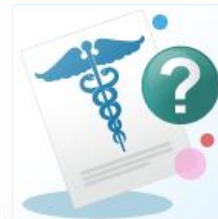
Call 1-888-549-0802

Questions?

Health care is changing

Health care and the ways you can apply for coverage are changing. It's important to know what options are available for you and your family.

- [Learn more](#)
- [Frequently Asked Questions](#)



Log into your Account

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[Forgot your password?](#)

[Log On](#)

•MAGI Eligibility in Replacement System

- Automated processes for MAGI determinations and applications approval (as possible)
- Replacement system becomes the system of record for MAGI categories

•Post-January

- Work to move remaining (non-MAGI) categories into replacement system (by June)
- Additional automated data sources
- Complete transition from MEDS system
- Begin to shift staffing/workforce toward community focus

- **MMIS/System Changes**
 - Claims processing system remediation and changes to be completed by December 2013
 - Additional systems/changes to be completed by January 2014
- **Provider Communication & Awareness**
 - Dedicated web site [www.scdhhs.gov/icd10]
 - What would you code? Interactive tool for providers
 - Readiness poll for providers and trading partners
 - Forum, Links, FAQ, Contacts and other information
- **Provider Testing Plans**
 - Pilot testing starts November 2013
 - 837I & 837P claims, returning 997, 277 & 835, phased
 - Select providers/trading partners
 - Open testing in February 2014
 - 837I & 837P claims, returning 997, 277 & 835