

## PUBLIC NOTICE

### DEPARTMENT OF HEALTH AND HUMAN SERVICES

The South Carolina Department of Health and Human Services (SCDHHS), pursuant to the requirements of Section 1902(a)(13)(A) of the Social Security Act, gives notice of the following actions regarding its methods and standards for paying providers under the State Plan under Title XIX of the Social Security Act Medical Assistance Program (Medicaid).

Effective on or after October 1, 2013, SCDHHS will amend the South Carolina (SC) Title XIX state plan as follows to meet the requirements of proviso #33.34:

- (1) The agency will increase the November 1, 2012 base rate component of the South Carolina Medicaid hospital specific per discharge rates by 2.75%. 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 2.75% increase will also be applied to out of state border contracting hospitals who receive a hospital specific per discharge rate from the SC Medicaid Program. The statewide hospital per discharge rate and the free standing short term psychiatric hospital specific per discharge rates will remain at the November 1, 2012 payment level.
- (2) The agency will increase the November 1, 2012 hospital specific outpatient multipliers by 2.75%. The Direct Medical Education component of the multiplier will not be subject to the 2.75% percent increase. The 2.75% increase will apply to SC general acute care hospitals and out of state border hospitals that qualify to receive a hospital specific outpatient multiplier. The statewide hospital specific outpatient multiplier of 93% 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.
- (3) The agency will reimburse qualifying South Carolina Medicaid defined rural hospitals and qualifying burn intensive care unit 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.
- (4) The agency will update the swing bed and administrative day rates to reflect the current average adjusted nursing facility rates effective October 1, 2013.

SCDHHS will implement actions (1) through (3) in order to provide additional reimbursement to SC general acute care hospitals that provide inpatient and outpatient hospital services to South Carolina Medicaid fee for service individuals. SCDHHS will implement action (4) to reflect the change in the swing bed and administrative day rates based upon the October 1, 2013 nursing facility rate update.

Of the \$35 million total dollars available for rate increases via proviso #33.34 for both the Medicaid fee for service and managed care programs, SCDHHS projects that based upon the actions noted above, annual aggregate Medicaid fee for service inpatient and outpatient hospital expenditures will increase by approximately \$15.6 million (total dollars).

Copies of this notice are available at each County Department of Health and Human Services Office and at [www.scdhhs.gov](http://www.scdhhs.gov) for public review. Additional information concerning these actions is available upon request at the address cited below.

Any written comments submitted may be reviewed by the public at the SCDHHS, Division of Acute Care Reimbursements, Room 1209, 1801 Main Street, Columbia, South Carolina, Monday through Friday between the hours of 9:00 A.M. and 5:00 P.M.

Anthony Keck  
Director  
Department of Health and Human Services