

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
61 Forsyth Street S.W. Suite 4T20
Atlanta, Georgia 30303



Atlanta Regional Operations Group

November 20, 2019

RECEIVED

NOV 25 2019

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Mr. Joshua D. Baker
Director
SC Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29202-8206

Attention: Sheila Chavis

Re: South Carolina State Plan Amendment 17-0014

Dear Mr. Baker:

We have reviewed the proposed South Carolina State Plan Amendment, SC 17-0014, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 21, 2017. This plan amendment increases South Carolina Department of Mental Health clinic service rates based upon the calendar year 2017 Medicare Economic Index trend rate of 1.2%.

Based on the information provided, the Medicaid State Plan Amendment SC 17-0014 was approved on November 20, 2019. The effective date of this amendment is July 1, 2017. We are enclosing the approved HCFA-179 and a copy of the new state plan page(s).

If you have any additional questions or need further assistance, please contact Cheryl Wigfall at (803) 252-7299 or Cheryl.wigfall@cms.hhs.gov.

Sincerely,

A handwritten signature in black ink that reads "Davida R. Kimble". The signature is written in a cursive style with a large initial "D".

Davida R. Kimble
Acting Deputy Director
Division of Medicaid Field Operations South

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 17-0014	2. STATE South Carolina
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION	4. PROPOSED EFFECTIVE DATE July 1, 2017	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		

5. TYPE OF PLAN MATERIAL (*Check One*):

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

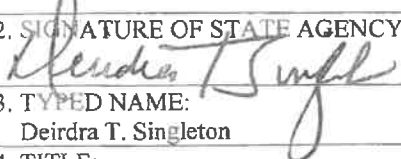
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR Part 447 – Subchapter C	7. FEDERAL BUDGET IMPACT: a. FFY 2017 \$ 53,000 (\$300,000 x .7130 x 3/12) b. FFY 2018 \$ 215,000 (\$300,000 x .7158)
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, page 3a.4	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 4.19-B, page 3a.4

10. SUBJECT OF AMENDMENT:
Updated SCDMH clinic Rates Effective July 1, 2017

11. GOVERNOR'S REVIEW (*Check One*):

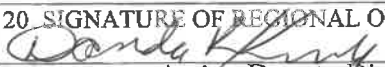
GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Ms. Singleton was designated by the Governor
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL to review and approve all State Plans

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: South Carolina Department of Health and Human Services Post Office Box 8206 Columbia, SC 29202-8206
13. TYPED NAME: Deirdra T. Singleton	
14. TITLE: Acting Director	
15. DATE SUBMITTED: September 21, 2017	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 09/21/17	18. DATE APPROVED: 11/20/19
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PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 07/01/17	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Davida R. Kimble	22. TITLE: Acting Deputy Director Division of Medicaid Field Operations South

23. REMARKS:

Injection Administration (96372) provided during a clinic setting will be reimbursed via the SC Medicaid Physician Fee schedule.

Effective for services provided on or after October 1, 2012, state owned governmental providers of community mental health clinic services will receive prospective payment rates based upon its 2010 fiscal year end Medicaid cost report. In order to trend the cost of each service to the initial payment period of October 1, 2012 through June 30 2013, the Medicaid Agency will employ the midpoint to midpoint methodology and the use of the CY 2010 Medicare Economic Index (1.2%). Effective for services provided on or after July 1, 2016, the SC Department of Mental Health providers of community mental health services will receive prospective payment rates based upon its 2015 fiscal year end Medicaid cost report. In order to trend the cost of each service to the payment period of July 1, 2016 through June 30, 2017, the Medicaid Agency will employ the midpoint to midpoint methodology and the use of the 3rd Quarter 2015 Global Insight Indexes of the CMS Medicare Economic index as well as the state of South Carolina cost of living increase provided to state employees effective July 1, 2016. State owned governmental providers of community mental health clinic services will be required to submit annual cost reports when certified public expenditures are used as the source of state matching funds.

Effective for services provided on and after July 1, 2017, the July 1, 2016 SCDMH clinic rates were increased by the calendar year 2017 Medicare Economic Index trend rate of 1.2%.

Interim Rates

Medicaid interim rates for mental health services in community mental health centers are established utilizing Medicare reasonable cost principles, as well as criteria outlined under 45 CFR Part 75 and 42 CFR Part 413. Costs reimbursable in the rates for mental health clinical services include but are not limited to:

1. Personnel costs - the salary and fringe benefit costs associated with direct line staff, meeting credentialing requirements, providing the services in the community mental health centers,
2. Clinical supervision - the salary and fringe benefit cost associated with the clinical supervision of these services,
3. Supplies - material and supply costs that are required for direct services to patients,
4. Training and travel - training and associated travel expenses that directly relate to maintaining certification, qualifications, or licensure required to render contracted mental health services but not to obtain their initial certification,
5. Indirect costs - Overhead/administrative costs incurred by mental health clinics and state agencies that are allocable to the individual mental health services via approved cost allocation methodologies as allowed under 45 CFR Part 75 and 42 CFR Part 413.