

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

September 28, 2020

VIA E-MAIL

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

RECEIVED

SEP 29 2020

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Dear Mr. Baker:

Enclosed is an approved copy of the South Carolina State Plan Amendment (SPA) 20-0006, received on July 2, 2020 proposing to add reimbursement for Therapeutic Foster Care (TFC) and the corresponding billing code - S5145 - for use by Child Placing Agencies (CPAs) contracted with the South Carolina Department of Social Services (SCDSS). TFC will be a daily, inclusive service that is reimbursed on a per diem basis under the state plan. The effective date for this SPA is July 1, 2020, as requested by your agency.

If you have questions concerning this letter, please contact Maria Drake, Division of Program Operations (South Branch) at (404) 562-3697 or via e-mail at Maria.Drake@cms.hhs.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'James G. Scott', is positioned to the left of the digital signature information.

Digitally signed by James
G. Scott -S
Date: 2020.09.28
20:47:50 -05'00'

James G. Scott, Director
Division of Program Operations

cc: Sheila Chavis, State Plan Coordinator, SC DHHS

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
20-0006

2. STATE
South Carolina

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE
July 1, 2020

FOR: HEALTH CARE FINANCING ADMINISTRATION

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 440.130

7. FEDERAL BUDGET IMPACT:
a. FFY 2020 \$N/A (Primarily impacts Medicaid MCO Program)
b. FFY 2021 \$N/A

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 3.1-A Limitation Supplement, pages 6c.10, 6c.10a (New Page), 6c.29 and 6c.31
Attachment 4.19-B, pages 6.1d, 6.1d.a (New Page)

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (*If Applicable*):

Attachment 3.1-A Limitation Supplement, page 6c.10, 6c.29 and 6c.31
Attachment 4.19-B, page 61.d

10. SUBJECT OF AMENDMENT: This plan amendment will update the State Plan language to add reimbursement for Therapeutic Foster Care (TFC) and the corresponding billing code, S5145, for use by Child Placing Agencies (CPAs) contracted with the South Carolina Department of Social Services.

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

- GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:
Mr. Baker was designated by the Governor to review and approve all State Plans

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:
Joshua D. Baker

14. TITLE:
Director

15. DATE SUBMITTED:
July 1, 2020

16. RETURN TO:

South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, SC 29202-8206

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:
July 2, 2020

18. DATE APPROVED:
September 28, 2020

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
July 1, 2020

20. SIGNATURE OF REGIONAL OFFICIAL:

Digitally signed by James G. Scott-S
Date: 2020.09.28 20:48:16 -0500

21. TYPED NAME:
James G. Scott

22. TITLE:
Director, Division of Program Operations

23. REMARKS:

Block 9
Attachment 4.19-B page 61.d change to 6.1d.

- a) Limitation of Services:
PSS is billed in 15- minute units with a limit of 16 units per day. There may be clinical exceptions to the service limits when the number of units or encounters allowed may not be sufficient to meet the complex and intensive needs of a beneficiary. On these occasions, requests for frequencies beyond the service limits may be submitted directly to the South Carolina Department of Health and Human Services (SCDHHS) for approval.
- b) Staff Providing Services:
The Peer Support Specialist must possess, at a minimum, a high school diploma or GED, and he/she must have successfully completed and passed a certification training program, and he/she must be a current or former beneficiary of mental health and/or substance use disorder services. (See pages 6c.20-6c.26).

17. **Therapeutic Foster Care:** Therapeutic Foster Care (TFC) is a treatment-focused form of foster care provided in a family setting by trained caregivers. TFC is a family-based placement option for children and adolescents with serious emotional or behavioral needs who can be served in the community with intensive support. Youth receiving TFC require behavioral health services and supervision provided in a therapeutic foster home setting.

TFC services are individualized care provided to psychologically or emotionally disturbed, and/or behaviorally challenged youth. Eligible beneficiaries are those who are at risk for failure or have failed in regular foster homes, are unable to live with their own families, or are going through a transitional period from residential care as part of the process of return to family and community.

Comparable services are available in the existing state plan benefit for children not served through the therapeutic foster care system.

The treatment planning process is individualized and ongoing.

- a) Limitation of Services:
TFC is billed as a daily, per diem unit with a limit of up to 31 units per month based on the calendar days in the month. TFC is an inclusive service and may not be provided on the same day as Psychosocial Rehabilitative Services. Conversely, Psychosocial Rehabilitative Services may not be provided on the same day as TFC.
- b) Staff Providing Services:
TFC providers are licensed, custodial foster parents, supervised by qualified clinical professionals as specified under the "Staff Qualifications" section see pages 6c.23-6c.31). Qualified clinical professionals must be employed or contracted by Child Placing Agencies approved by the South Carolina Department of Social Services.

g) Substance Use Disorder Treatment Services

SCDHHS and the South Carolina Department of Alcohol and Other Drug Abuse Services (DAODAS) have implemented a statewide system to coordinate substance abuse treatment services that are critical to serving eligible Medicaid beneficiaries. The purpose of these services is to provide interventions for the treatment and management of substance abuse and addictive disorders in an outpatient or residential treatment setting. Services must have a rehabilitative and recovery focus aimed at managing acute intoxication and withdrawal. Services are designed to promote skills for beneficiaries identified as having a substance abuse disorder. Services can also address, if present, a co-occurring mental health disorder.

a) Medical Necessity

The beneficiary must meet the diagnostic criteria for a substance use disorder or co-occurring substance use and mental health disorders as defined by the current edition of the DSM or ICD to establish medical necessity for treatment services. The beneficiary must be assessed to establish medical necessity for the treatment of services. SCDHHS has adopted the American Society of Addiction Medicine's (ASAM-PPC-2R) Patient Placement Criteria for the Treatment of Substance-Related Disorders as the basis for a beneficiary's placement in the appropriate levels of care with documentation reflecting applicable medical necessity on each of the ASAM Dimensions. Treatment is based on the severity of the beneficiary's illness and his/her response to treatment.

1. Substance Use Disorder Discrete Services

A. Alcohol and Drug Screening (ADS) and Brief Intervention Services

Alcohol and Drug Screening (ADS) is designed to identify beneficiaries who are at risk of development of a substance use problem. The assessment will allow early identification of a substance use disorder and facilitate appropriate referral for a focused assessment and/or treatment. Services can also address, if present, a co-occurring mental health disorder.

Title of Professional	Level of Education/Degree/or Experience Required	License or Certification Required	Supervision	State or Licensure Law	Services Able to Provide
Licensed Practical Nurse (LPN)	Completion of an accredited program of nursing approved by the Board of Nursing and one year of experience working with the population to be served High school diploma or GED equivalent.	Licensed by SC Board of Nursing	Under the supervision of an APRN, RN, licensed physician, or other practitioner authorized by law to supervise LPN practice.	40-33-10 Et seq.	ADS, ADN BMod, FS, MM, TCC, CIS, PRS, MA, ST
PARAPROFESSIONALS					
Child Service Professional	Bachelor's degree from an accredited university or college in psychology, social work, early childhood education, child development or a related field or bachelor's degree in another field and has a minimum of 45 documented training hours related to child development and children's mental health issues and treatment.	None Required	Under the supervision of a master's level clinical professional or licensed practitioner of the healing arts (LPHA)	N/A	B-Mod, BHS, CM, FS, TCC, CIS, PRS, SAC, ST, ADA, ADS, (Assist with developing the SPD)
Mental Health Specialist	At a minimum, a high school diploma or GED equivalent and have three years of documented direct care experience working with the identified target population or completion of an approved 30 hour training and certification program	DHHS-approved Certification program	Under the supervision of a master's level clinical professional or licensed practitioner of the healing arts (LPHA)	N/A	PRS, BMod, FS, ST, TFC
Substance Abuse Specialist	At a minimum, a high school diploma or GED equivalent and have three years of documented direct care experience working with the identified target population or completion of an approved training and certification program	DHHS-approved Certification program	Under the supervision of a master's level clinical professional or licensed practitioner of the healing arts (LPHA)	N/A	PRS, BMod, FS, ST

Service	Abbr.	Service	Abbr.	Service	Abbr.
Alcohol and Drug Assessment	ADA	Family Psychotherapy	FP	Peer Support Service	PSS
Alcohol and Drug Assessment Nursing	ADN	Group Psychotherapy	GP	Psychosocial Rehabilitative Service	PRS
Alcohol and Drug Screening	ADS	Vivitrol Injection	VI	Psychological Testing and Evaluation	PT
Behavior Modification	B-Mod	Individual Psychotherapy	IP	Psychological Testing & Reporting	PTR
Behavioral Health Screening	BHS	Medication Administration	MA	Service Plan Development	SPD
Crisis Management	CM	Multiple-Family Group Psychotherapy	MFGP	Substance Abuse Counseling	SAC
Psychiatric Diagnostic Assessment	DA	Medication Management	MM	Skills Training and Development	ST
Family Support	FS	Therapeutic Foster Care	TFC		

Substance Abuse Outpatient Treatment Services

Name of Treatment Service	Level of Service
Alcohol and/or Drug Services Intensive Outpatient Treatment	Level II.I
Alcohol and/or Drug Treatment Day Treatment/Partial Hospitalization	Level II.5

Substance Abuse Residential Treatment Services

Name of Treatment Service	Level of Service
Alcohol and/or Drug Services-Sub-acute Detox Residential-Clinically Managed Residential Detoxification	Level III.2-D
Alcohol and/or Drug Services-Acute Detox Residential-Medical Monitored Residential Detoxification	Level III.7-D
Behavioral Health-Long Term Residential Treatment Program-Clinically Managed High-Intensity Residential Treatment	Level III.5.R
Behavioral Health-Short Term Residential Treatment Program-Medically Monitored Intensity Residential Treatment	Level III.7-R
Behavioral Health-Short Term Residential Treatment Program-Medically Monitored High-Intensity Treatment	Level III.7-RA

REHABILITATIVE SERVICE FOR PRIMARY CARE ENHANCEMENT

A. Definition of Service - Rehabilitative Services for Primary Care Enhancement (RSPCE) are face-to-face counseling and health management interventions provided to reduce physical or psycho-social deterioration of a diagnosed medical condition and to restore an individual to his or her best possible functional level. A primary care physician (PCP) or other appropriate practitioner (i.e., nurse practitioner, physician assistant) must approve the plan of care. RSPCE are indicated if the beneficiary:

- Fails to attain an optimal level of health within the primary care delivery continuum
- Enters into the primary health care continuum with an advance degree of disease/condition as evident by clinical evaluation and documentation

payments for state owned and non-state owned governmental providers of rehabilitative services will be based upon the Medicaid rates previously described by practitioner level. Except as otherwise noted in the plan, state-developed fee schedule rates and unit measures are the same for both governmental and private providers of Rehabilitative Behavioral Health Services. The agency's fee schedule was set as of July 1, 2010 and is effective for services provided on or after that date. All fee schedule rates and unit measures are published at <https://www.scdhhs.gov/resource/fee-schedules>. State owned and non-state owned governmental providers will be reimbursed at one hundred percent of their allowable Medicaid costs based upon the review and reconciliation of annual cost reports.

Therapeutic Foster Care

Effective for services provided on or after July 1, 2020, the Medicaid Agency will convert the provision of psychosocial rehabilitation services (PRS) from a fifteen-minute unit of service to a per diem basis for Child Placing Agencies serving children in Therapeutic Foster Care (TFC) placement under contract with the South Carolina Department of Social Services. Three different TFC treatment level (i.e. per diem) rates will be established to account for variances relating to the number of daily service units provided to TFC Children. The rate setting process for this service is provided as follows:

- First, the base data used represented the December 2019 historical expenditure/utilization data of TFC children receiving PRS services, which was subjected to a review of SFY 2019 as well as November 2019 historical expenditure/utilization data for consistency purposes.
- Next, a cost per PRS unit delivered was developed which reflected the average historical blend of PRS daily service units provided by master level, bachelor level, and less than bachelor level professionals.
- Next, TFC levels are established based upon service utilization only. Therefore each TFC level was established based upon a review of the most prevalent daily units billed within each assigned TFC level.
- Finally, to determine the TFC level per diem rates, the cost per PRS unit determined in bullet #2 was multiplied by the average number of daily units determined for each TFC level as defined in bullet #3. Level I = 4.6 units; Level II = 7.0 units and; Level III = 10.0 units.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rate was set as of July 1, 2020 and is effective for services provided on or after that date. All rates are published at the following SCDHHS website address: <https://www.scdhhs.gov/resource/fee-schedules>.

SC 20-0006
EFFECTIVE DATE: 07/01/20
RO APPROVAL: 09/28/20
SUPERSEDES: SC 09-011

Annual Cost Identification and Reconciliation Process for State Owned and Non-State Owned governmental providers:

Each State Owned and Non-State Owned governmental provider rendering rehabilitative behavioral health services will be required to submit a CMS approved annual cost report to establish the costs of their services. Allowable costs will be accumulated by practitioner and service definition. Costs by practitioner by service will be accumulated for the total population of users of the service (i.e. regardless of the source of payment). Allowable costs will be classified as follows:

Direct Costs:

- 1) Directly chargeable salary costs of the practitioner(s) providing the service and associated fringe benefits,
- 2) Materials, supplies excluding injectibles, and non-capital related equipment expenditures required by the practitioners for the provision of service,
- 3) Required training and any associated travel costs of the practitioners, and
- 4) Any costs not noted above but directly assignable excluding subcontract arrangements for direct service delivery and costs included in indirect cost determination.

Supervision:

Costs of supervisory staff will be added to the direct costs associated with practitioners of specific services. Allowability of supervisory costs is determined based on the practitioners requiring supervision in accordance with the Rehabilitative Service definitions as outlined under Attachment 3.1-A. The provider types affected include: Registered Nurses, Licensed Practical Nurses, and all Masters Level, Bachelors Level, and High School Level professionals. Time and effort reports completed in accordance with HIM-15, Chapter 2300, Section 2313.2 (E) will be used to determine supervision costs.

Indirect Costs:

Allowable indirect costs can be determined in one of two ways:

1. The application of the provider's federally approved indirect cost rate (or federally approved cost allocation plan) or

SC 20-0006
EFFECTIVE DATE: 07/01/20
RO APPROVAL: 09/28/20
SUPERSEDES: New Page