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State/Territory Name: South Carolina

State Plan Amendment (SPA) #: 22-0010

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

September 9, 2022

Mr. Robert M. Kerr, Director
South Carolina Department of Health & Human Services
P.O. Box 8206
Columbia, South Carolina 29202-8206

Attention: Sheila Chavis

RE: South Carolina State Plan Amendment (SPA) 22-0010

Dear Mr. Kerr:

We have reviewed the proposed South Carolina State Plan Amendment (SPA) 22-0010, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on June 30, 2022. This SPA implements an alternative fee schedule for specific Rehabilitative Behavioral Health Services provided in schools.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 1, 2022. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Debi Benson at 312-886-0360 or Deborah.Benson@cms.hhs.gov.

Sincerely,

Todd McMillion

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER <u>2 2</u> — <u>0 0 1 0</u>	2. STATE <u>S C</u>
	3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE <u>July 1, 2022</u>	
5. FEDERAL STATUTE/REGULATION CITATION <u>Title XIX of SSA, Sect. 1902(a)(13) and 42 CFR 447.201</u>	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2022</u> \$ <u>25,500</u> b. FFY <u>2023</u> \$ <u>102,000</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT <u>Attachment 4.19-B, page 6.1d</u>	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) <u>Attachment 4.19-B, page 6.1d</u>	

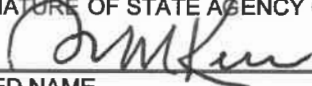
9. SUBJECT OF AMENDMENT

Amendment of the SC Title XIX State Plan to implement an alternative fee schedule for specific RBHS provided in schools.

10. 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:

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO South Carolina Department of Health and Human Services Post Office Box 8206 Columbia, SC 29202-8206
12. TYPED NAME Robert M. Kerr	
13. TITLE Director	
14. DATE SUBMITTED June 27, 2022	

FOR CMS USE ONLY

16. DATE RECEIVED <u>June 30, 2022</u>	17. DATE APPROVED <u>September 9, 2022</u>
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL <u>July 1, 2022</u>	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL <u>Todd McMillion</u>	21. TITLE OF APPROVING OFFICIAL <u>Director, Division of Reimbursement Review</u>

22. REMARKS

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.

Alternative Fee Schedule for Children Receiving Rehabilitative Behavioral Health Services (RBHS) in School Settings

Effective for services provided on or after July 1, 2022, the Medicaid Agency will implement an alternative fee schedule for behavioral health services provided to students in school-based settings. The alternative rates are developed to consider the unique costs of providing services in school-based settings and with the goal of expanding access in this setting. The alternative fee schedule will include the following services defined in Attachment 3.1-A, Limitation Supplement: diagnostic assessment, service plan development, individual psychotherapy, group psychotherapy, family psychotherapy, and crisis management. The alternative fee schedule for children receiving RBHS in school settings will be uniform for governmental and private providers. The RBHS alternative fee schedule rates and unit measures are published at <https://www.scdhhs.gov/resource/fee-schedules>.

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>.