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State/Territory Name: SOUTH CAROLINA

State Plan Amendment (SPA) #: SC-24-0012

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
230 South Dearborn Street
Chicago, Illinois 60604



Financial Management Group

November 6, 2024

Robert M. Kerr
Director
South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, SC 29202-8206

RE: TN 24-0012

Dear Director Kerr,

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed South Carolina State Plan Amendment (SPA) to Attachment 4.19-B 24-0012, which was submitted to CMS on September 30, 2024. This plan amendment update the rates for the core Rehabilitative Behavioral Health Services (RBHS) treatment services for private master's level providers and licensed psychologists.

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of July 1, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan page.

If you have any additional questions or need further assistance, please contact Ysabel Gavino via email at Maria.Gavino@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

2 4 — 0 0 1 2

2. STATE

S C

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
SECURITY ACT



XIX



XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

July 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION

Title XIX of SSA, Sect. 1902(a)(13) and 42 CFR 413.64

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a FFY 2024 \$ 495,923

b FFY 2025 \$ 1,987,685

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B, page 6.1d.a

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)

Attachment 4.19-B, page 6.1d.a

9. SUBJECT OF AMENDMENT

This SPA will increase rates for core RBHS treatment services for private master's level providers and licensed psychologists.

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:

Mr. Kerr was designated by the Governor to
review and approve all State Plans.

11. SIGNATURE OF STATE AGENCY OFFICIAL



12. TYPED NAME

Robert M. Kerr

13. TITLE

Director

14. DATE SUBMITTED

September 30, 2024

15. RETURN TO

South Carolina Department of Health and Human Services

Post Office Box 8206

Columbia, SC 29202-8206

FOR CMS USE ONLY

16. DATE RECEIVED

September 30, 2024

17. DATE APPROVED

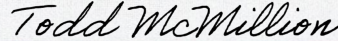
November 6, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

July 1, 2024

19. SIGNATURE OF APPROVING OFFICIAL



20. TYPED NAME OF APPROVING OFFICIAL

Todd McMillion

21. TITLE OF APPROVING OFFICIAL

Director, Division of Reimbursement Review

22. REMARKS

Effective for services provided on or after July 1, 2024, rates for the following rehabilitative behavioral health services will be increased by 5% to account for market trends: diagnostic assessment; individual, family, and group psychotherapy; crisis management; and service plan development delivered by private master's level providers and licensed psychologists. All rates are published in the appropriate fee schedules at the following SCDHHS website address: <https://www.scdhhs.gov/providers/fee-schedules>.

Assertive Community Treatment (ACT)

Effective for services provided on or after July 1, 2023, the Medicaid agency will implement a fee schedule for rehabilitative services provided to individuals receiving Assertive Community Treatment (ACT). The ACT team shall have among its staff, persons with sufficient individual competence and professional qualifications and experience to provide the services listed below, as described in section 3.1-A Limitation Supplement. ACT teams must be certified by the South Carolina Department of Health and Human Services (SCDHHS).

The fee schedule rates were developed to consider the unique costs of providing services via the ACT model. Services required to be provided by an ACT team are described in section 3.1-A Limitation Supplement.

The billing unit is one day. ACT per diems may be billed only on days when the ACT team has performed face-to-face service with the beneficiary or a family member. Only one per diem may be billed per beneficiary per day.

The unit costs were derived using information gathered from (i) data from the 2022 Bureau of Labor Statistics, National Compensation Survey: Employer costs for Employee Compensation; and (ii) information collected directly from South Carolina ACT providers about topics such as staffing levels, hourly wages and training requirements, number of individuals served, costs related to salaries and wages, transportation expenses, and administrative and program support costs.

There are two different daily rates for ACT services to reflect two different ACT team sizes - small and large - each of which has distinct requirements regarding beneficiary-to-staff ratio and maximum caseload. The rates include clinical staff and supervisor salary and wages, employee related expenses, transportation and fleet vehicle expenses, and administration, program support, and overhead. Total monthly costs were divided by an assumed average number of beneficiaries served (47.5 for a small team and 100 for a large team), which was then divided by 9 (the assumed average of face-to-face contacts per month) to develop the per diem rate.

The ACT fee schedule rates are published at the following SCDHHS website address: <https://www.scdhhs.gov/providers/fee-schedules>. A uniform rate is paid to governmental and non-governmental providers.

Multisystemic Therapy (MST)

Effective on or after January 1, 2024, the Medicaid Agency will reimburse for MST services. MST providers must be part of a licensed MST team in good standing with MST Services, Inc, and have the training required to implement the evidence-based practice. Services are described in section 3.1-A Limitation Supplement.

MST is reimbursed based on a per diem unit of service, which was developed considering the specific costs of implementing this model. The billing unit is one day. MST per diems may be billed only on days when the provider has performed a service with the beneficiary or a family member. Only one per diem may be billed per beneficiary per day.

The unit costs were derived using information gathered from South Carolina MST providers regarding the following: staffing levels; licensing, consultation, and training requirements; volume of MST services provided; costs related to salaries and wages (including cost consideration for providers' availability 24 hours per day, 7 days per week, 365 days per year); transportation expenses; and administrative, overhead, and program support costs.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. All rates are published on the SCDHHS website <https://www.scdhhs.gov/providers/fee-schedules>.