

Dec. 9, 2021

## PUBLIC NOTICE

### **Public Notice of Final Action for Third-Party Liability Changes Required in Bipartisan Budget Act and Medicaid Services Investment and Accountability Act**

The South Carolina Department of Health and Human Services (SCDHHS) gives notice of the following actions regarding the third-party liability (TPL) requirements under the State Plan under Title XIX of the Social Security Act Medical Assistance Program (Medicaid).

Effective on or after Dec. 31, 2021, SCDHHS will amend the South Carolina Title XIX State Plan to come into compliance with the TPL requirements reflected in current law. Medicaid is generally the payor of last resort and should only pay for covered care and services if there are no other responsible sources or parties. Presently, prenatal services and claims for child enforcement beneficiaries are paid primary by Medicaid under the TPL “pay and chase” logic without subject to TPL claims editing for other health insurance coverage. Claims are billed directly to the appropriate private insurance carrier monthly for recovery. However, the Bipartisan Budget Act of 2018 amended section 1902(a)(25)(E) of the Social Security Act requiring states to use standard coordination of benefits cost avoidance instead of “pay and chase” when processing claims for prenatal services, including labor and delivery and postpartum care claims.

SCDHHS will amend the State Plan to reflect the following Centers for Medicare and Medicaid Services-directed changes:

- The requirement for states to apply cost avoidance procedures to claims for prenatal services, including labor, delivery and postpartum care services; and,
- For claims related to child support enforcement beneficiaries, the state will apply cost avoidance for 100 days after the date the provider has submitted a claim to the entity that has primary liability for payment. After the 100 days has elapsed, the state will make payments without regard to potential TPL.

Based on the actions above, SCDHHS anticipates a potential increase of fee-for-service cost avoidance savings. Preliminary reporting indicates a potential cost savings amount of \$111,000 per year.

Copies of this notice are available at each South Carolina Healthy Connections Medicaid county office and at [www.scdhhs.gov](http://www.scdhhs.gov) for public review. Additional information regarding these actions is available upon request at the address cited below.

Any written comments submitted may be reviewed by the public at SCDHHS, Office of Health Programs, 1801 Main Street, Columbia, South Carolina, Monday through Friday between the hours of 9 a.m. and 5 p.m.

Robert M. Kerr  
Director

## **Notice of Non-Discrimination**

The South Carolina Department of Health and Human Services (SCDHHS) complies with applicable federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. SCDHHS does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex.

SCDHHS provides free aids and services to people with disabilities, such as qualified sign language interpreters and written information in other formats (large print, braille, audio, accessible electronic formats, other formats). We provide free language services to people whose primary language is not English, such as qualified interpreters and information written in other languages. If you need these services, please contact the Americans with Disabilities Act (ADA)/Civil Rights Official by mail at: PO Box 8206, Columbia, SC 29202-8206, by phone at: 1-888-549-0820 (TTY: 1-888-842-3620), or by email at: [civilrights@scdhhs.gov](mailto:civilrights@scdhhs.gov).

If you believe SCDHHS has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance with the Civil Rights Official using the contact information provided above. You can file a grievance in person, by mail, or via email. If you need help filing a grievance, we are available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf> or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue, SW, Room 509F, HHH Building, Washington, D.C. 20201 or by phone at: 800-368- 1019, 800-537-7697 (TDD). Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html> .