

**Medical Care Advisory Committee (MCAC)
 Meeting Agenda**

Henry McMaster GOVERNOR
 Eunice Medina INTERIM DIRECTOR
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Agenda	
Date: November 12, 2024	Time: 10 a.m.-12 p.m. Location: WebEx
Topic	Presenter
1. Director's Welcome	Eunice Medina, Interim Director
2. Medicaid Enrollment	Lori Risk, Bureau Chief, Eligibility, Enrollment and Member Services Policy and Contracts
3. Advisement: FFY 2025 DSH Payments and Swing Bed Hospital and Administrative Day Rates	Brad Livingston, Chief Financial Officer
4. Advisement: Rural Hospital Outpatient Payment Methodology and Upper Payment Limit	
5. Advisement: Rate Increase for Ventilator Unit Reimbursement	
6. Advisement: Hurricane Helene Telehealth Flexibilities	Margaret Alewine, Bureau Chief, Policy
7. Policy Updates	
8. Advisement: MCO Certification and Plan Limits	Eunice Medina, Interim Director
Closing Comments	
Adjournment	

Medical Care Advisory Committee
Aug. 13, 2024, Meeting Minutes

Present

Graham Adams
John Barber
Sue Berkowitz
Maggie Cash
Dr. Thompson Gailey
Tysha Holmes
Michael Leach
Tricia Richardson
Amanda Whittle

Not Present

Dr. Amy Crockett
Chief Brian Harris
Amy Holbert
Constance Holloway
Bill Lindsey
Melanie Matney
JT McLawhorn
Dr. Kashyap Patel
Loren Rials
Dr. Keith Shealy
Rebekah Spannagel

Director's Welcome

SCDHHS Director Robby Kerr welcomed the Medical Care Advisory Committee (MCAC) members and thanked them for their participation. He noted the agency is preparing its budget request for state fiscal year 2026 and said it is due in September. He also highlighted some key areas the agency is focusing on including the Graduate Medical Education program and provided an update on some behavioral health initiatives.

Medicaid Enrollment and Redeterminations

Eligibility, Enrollment and Member Services (EEMS) Chief of Policy and Process Lori Risk presented an update on the annual eligibility review process that restarted April 1, 2023, and is now winding down. She reviewed the [annual review dashboard](#) located on the agency website and went over Medicaid's net enrollment and application trends.

The following question was asked.

1. Will we get these slides?
 - a. The agency responded the slides will be posted on the [agency's website](#) after the meeting.

Advisements and Updates

Advisement: Changes to Third Party Liability

An overview of the advisement was provided by Director of Third Party Liability Rebecca Esslinger.

There were no questions or comments.

Advisement: Nursing Facility Rate Update

An overview of the advisement was provided by Chief Financial Officer Brad Livingston.

There were no questions or comments.

Advisement: Psychiatric Collaborative Care Model

An overview of the advisement was provided by Director of Behavioral Health Melanie Hendricks.

The following question was asked.

1. Will physician assistants be incorporated as part of the solution to physician primary care shortages now and in the future?
 - a. The agency stated no, it is focusing on physicians at this time.
2. Will Federally Qualified Health Centers (FQHCs) and Rural Health Centers (RHCs) be allowed to bill for the Collaborative Care Model (CoCM)?
 - a. The agency responded it is currently looking into this. However, FQHCs and RHCs are not part of the policy change that will be effective Oct. 1, 2024.
3. Will CoCM be allowable for all providers?
 - a. The agency stated collaborative care will be available for primary care providers including physicians, OB/GYNs, pediatricians, etc.
4. Are you also working on chronic care management as well?
 - a. The agency responded it is not currently working on chronic care management.

Advisement: Intensive Outpatient Programs and Partial Hospitalization Programs

An overview of the advisement was provided by Melanie Hendricks.

There were no questions or comments.

Neuropsychological Testing and Examination Codes Update

An update on the neuropsychological testing and examination codes and rates was provided by Melanie Hendricks.

There were no questions or comments.

Advisement: Cost Sharing

An update on cost sharing was provided by Chief of Policy Margaret Alewine.

There were no questions or comments.

Policy Updates

A Medicaid policy, code and fee update was provided by Margaret Alewine.

There were no questions or comments.

Federal Rule Update

An update of the new federal rule about the Medical Advisory Council (MAC) was provided by Strategic Initiative Specialist Shadda Winterhalter.

The following question was asked.

1. How can we help get interested beneficiaries to you for the Beneficiary Advisory Council (BAC)?
 - a. The agency stated beneficiaries interested in participating in the BAC should send an email to Shadda Winterhalter at Shadda.Winterhalter@scdhhs.gov.
2. Can I get a copy of the meeting packet?
 - a. The agency responded the meeting packet will be posted on its website and an email will be sent with a link to the posting.
3. Will SCDHHS cover costs to participate in the BAC if the beneficiary incurs any?
 - a. The agency stated it will share more information regarding the structure and design of the MAC and BAC soon.
4. Who should I reach out to regarding the MCAC committee roster? We made a change in early 2024 but it doesn't reflect the change.
 - a. The agency responded it has been holding all changes to the MCAC composition due to the new federal rules.
5. Will there be an opportunity for the MCAC to provide feedback on the makeup and design of the MAC and BAC?
 - a. The agency stated it will share more information regarding the structure and design of the MAC and BAC soon.

Closing

The meeting was closed by thanking attendees for their participation. The next MCAC meeting date is Nov. 12, 2024.

Thank you for participating in the
Medical Care Advisory Committee.

The meeting will begin shortly.

Medical Care Advisory Committee (MCAC)

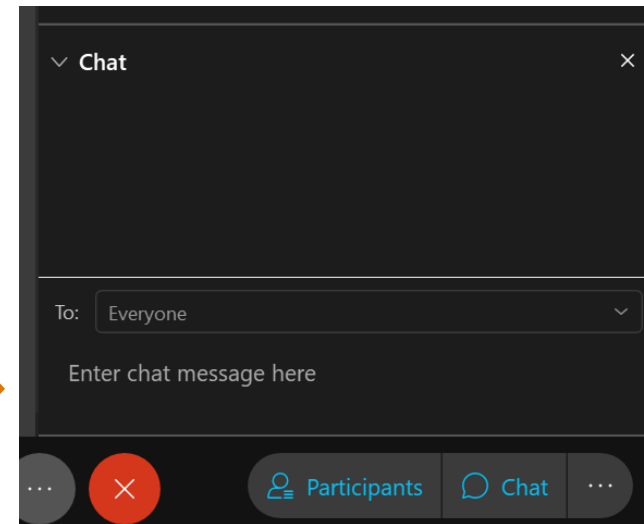
Nov. 12, 2024

**The meeting will begin shortly.
Microphones are muted.
All cell phones are silenced.**

**Thank you for participating in the
MCAC meeting.**

Meeting Logistics

- Attendee lines will be muted for the duration of the webinar to minimize disruption.
- MCAC members are welcome to comment or ask questions throughout the meeting.
- All other attendees who wish to comment or ask questions should do so during the specified public comment periods.
- Use the chat feature in Webex.



Director's Welcome

Eunice Medina, Interim Director

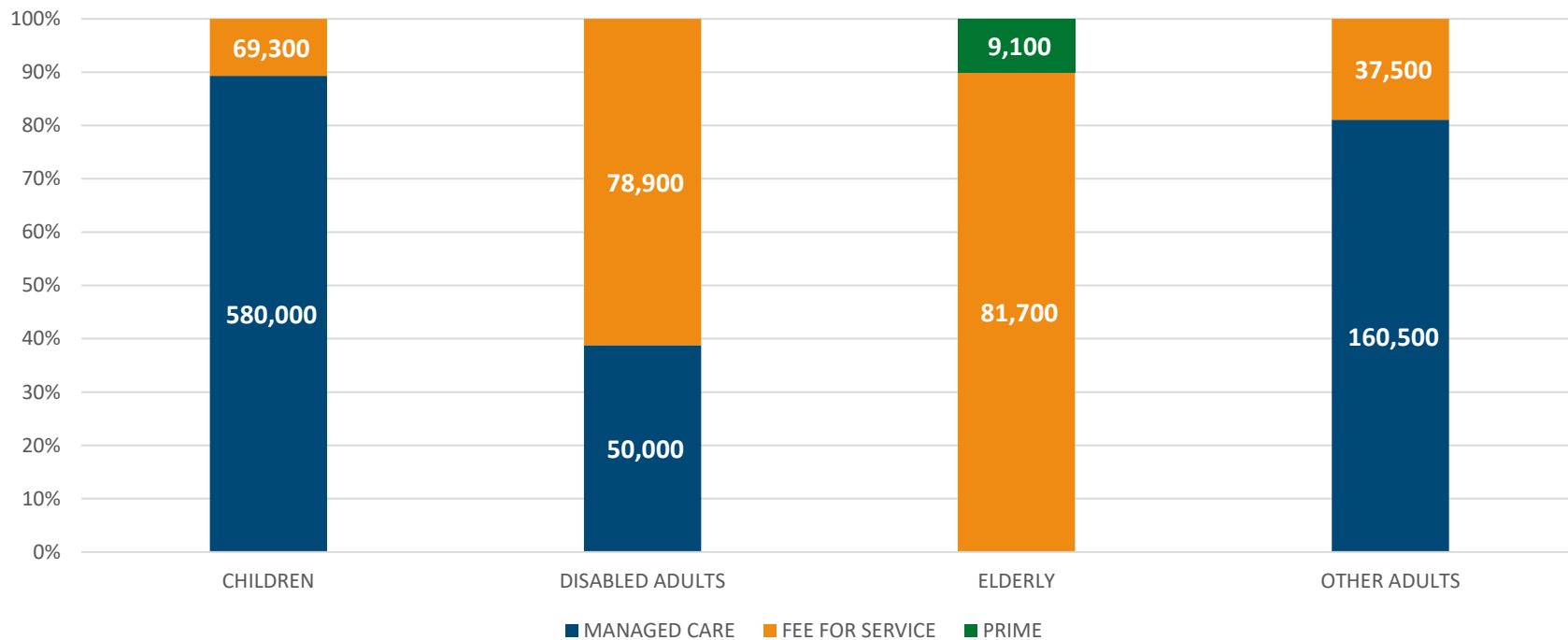
Medicaid Enrollment

Lori Risk, Bureau Chief

Eligibility, Enrollment and Member Services Policy and Contracts

Full-benefit Membership by Population

(as of Sept. 30, 2024)



Total Enrollment: 1,074,736



Advisement: Federal Fiscal Year (FFY) 2025 Disproportionate Share Hospital (DSH) Payments and Swing Bed Hospital and Administrative Day Rates Updates

Brad Livingston, Chief Financial Officer

Background

- Update DSH payments for FFY 2025 using updated base year DSH financial and statistical data (hospital fiscal year [HFY] 2023) as well as the updated FFY 2025 DSH allotment amount.
- Update the inpatient hospital swing bed rate and administrative day rate effective Oct. 1, 2024, based upon the Oct. 1, 2024, nursing facility rebasing project.

DSH Changes Effective During FFY 2025 DSH Payment Period

- Update the base year used to calculate the interim DSH payments for the DSH allotment period which ends Sept. 30, 2025 (FFY 2025) using HFY 2023 data, the continued use of the Dec. 19, 2008, final rule (Federal Register/Vol. 73, No. 245) relating to the audits of the Medicaid DSH payment plans and the Dec. 3, 2014, final rule (Federal Register/Vol. 79, No. 232) which relates to the Medicaid program DSH payments uninsured definition;
- Update the inflation rate used to trend the DSH base year cost to the end of the 2023 calendar year;
- The Centers for Medicare and Medicaid Services (CMS) has approved the state-directed payment for the Health Access, Workforce and Quality (HAWQ) program. As a result of this approval, the agency does not anticipate expending 100% of its FFY 2025 DSH allotment

Inpatient Hospital Reimbursement Changes Effective Oct. 1, 2024

- Update the inpatient hospital swing bed and administrative day rates based upon the Oct. 1, 2024, rebasing of nursing facility payment rates.

Budget Impact and Effective Date

Budgetary Impact

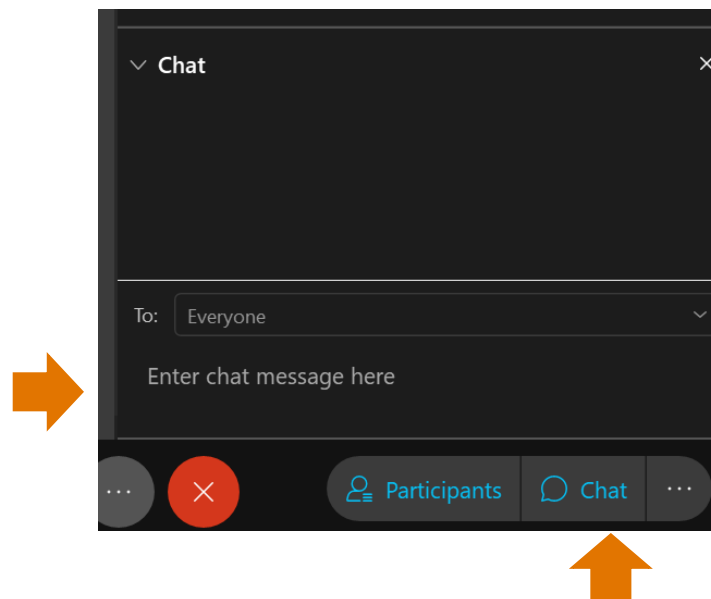
- Unable to estimate DSH impact at this time.
- The South Carolina Department of Health and Human Services (SCDHHS) estimates a budget impact of \$10,000 in total dollars for the swing bed/administrative day rates.
- All amounts reflected above relate to the Medicaid fee-for-service (FFS) program only.

Effective Date

- For the South Carolina Medicaid DSH program, the FFY 2025 DSH payment period is Oct. 1, 2024, through Sept. 30, 2025.
- For the swing bed and administrative day rates, it is effective Oct. 1, 2024.

Public Comment

MCAC members and all other attendees who wish to comment, please use the chat feature now.



Advisement: Rural Hospital Outpatient Payment Methodology and Upper Payment Limit

Brad Livingston, Chief Financial Officer

Background

- SCDHHS proposes to supplement the Medicaid outpatient hospital FFS rates paid to all South Carolina-defined rural hospitals (as defined in the State Plan) to maintain and enhance access to quality care in the rural provider community and the state.

Rural Outpatient Hospital Access Pool

- Establish the rural outpatient hospital access pool, under which all South Carolina rural hospitals, as defined in the State Plan, will receive up to \$1.5 million annually;
- Individual supplemental payments will not exceed the Medicaid hospital-specific limit for any rural hospital participating in the DSH program;
- If a hospital's payment amount is estimated to exceed its attributable Medicaid hospital-specific limit, SCDHHS will reduce the hospital's payment to ensure compliance with the applicable Medicaid hospital-specific limit;

Rural Outpatient Hospital Access Pool *(cont.)*

- Total supplemental payments will not exceed the applicable Medicaid outpatient upper payment limit for state government hospitals, non-state government hospitals or private hospitals; and
- If total payments from the rural outpatient hospital access pool are estimated to exceed the projected aggregate Medicaid outpatient hospital upper payment limits for state government hospitals, non-state government hospitals and/or private hospitals, SCDHHS will reduce payments proportionally for each hospital to ensure compliance with the applicable Medicaid upper payment limit.

Budget Impact and Effective Date

Budgetary Impact

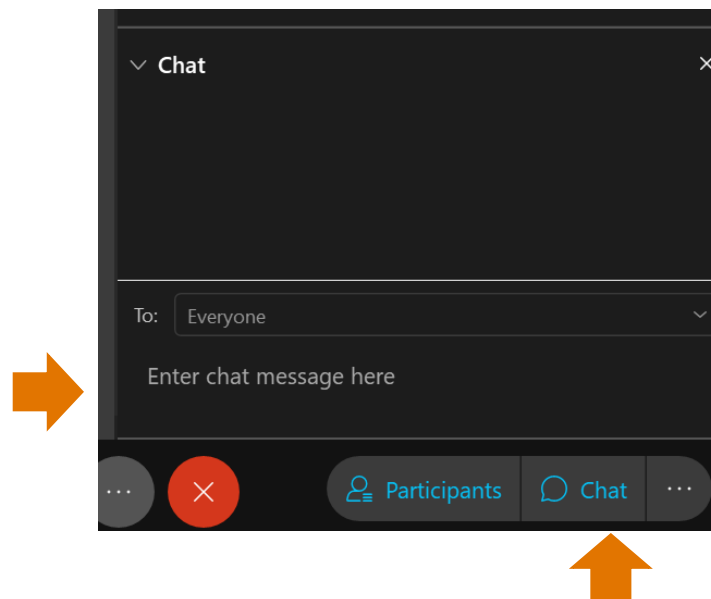
- SCDHHS estimates a budget impact of approximately \$21.7 million total dollars.

Effective Date

- Oct. 1, 2024

Public Comment

MCAC members and all other attendees who wish to comment, please use the chat feature now.



Advisement: Rate Increase for Ventilator Unit Reimbursement

Brad Livingston, Chief Financial Officer

Background

- SCDHHS proposes to increase the rate for ventilator units.
- SCDHHS is making this change to support access to ventilator services and ensure services are delivered effectively.

Ventilator Unit Reimbursement

- SCDHHS will increase the ventilator unit rate to a total per diem rate of \$708 per member, per day.
- The per diem rate was developed based on market research and supports access to and efficient delivery of ventilator services.

Budget Impact and Effective Date

Budgetary Impact

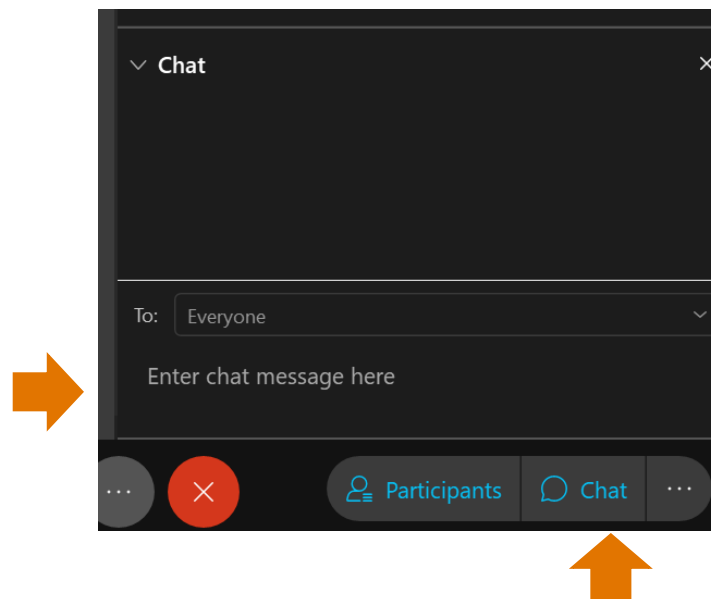
- SCDHHS estimates a budget impact of approximately \$1.5 million total dollars.

Effective Date

- Oct. 1, 2024

Public Comment

MCAC members and all other attendees who wish to comment, please use the chat feature now.



Advisement: Hurricane Helene Telehealth Flexibilities

Margaret Alewine, Bureau Chief, Policy

Background

- On Sept. 25, 2024, Governor Henry McMaster declared a state of emergency in South Carolina in preparation for Hurricane Helene.
- On Sept. 30, 2024, U.S. Department of Health and Human Services Secretary Xavier Becerra declared a public health emergency (PHE) for the state of South Carolina, which was backdated to Sept. 25, 2024, and President Joe Biden approved a major disaster declaration for South Carolina.
- As part of the state's response to Hurricane Helene, SCDHHS submitted an initial and follow-up formal requests to CMS to temporarily waive or amend some requirements to ensure continued access to care for Healthy Connections Medicaid members impacted by Hurricane Helene.

Proposed Changes

- The initial flexibilities approved by CMS were announced in Medicaid bulletin #24-056.
- Additional temporary flexibilities that were subsequently approved by CMS were announced in Medicaid bulletin #24-060.
- The temporary flexibilities were effective statewide retroactive to Sept. 25, 2024, and expired Oct. 31, 2024, with limited exceptions.

Proposed Changes

- The authorities used to create these temporary flexibilities include a waiver request SCDHHS submitted to CMS under Section 1135 of the Social Security Act requesting a variety of temporary administrative and regulatory flexibilities; and a request SCDHHS submitted to CMS to temporarily amend several 1915(c) home and community-based services (HCBS) waivers with the Emergency Preparedness and Response Appendix K.

Proposed Changes *(cont.)*

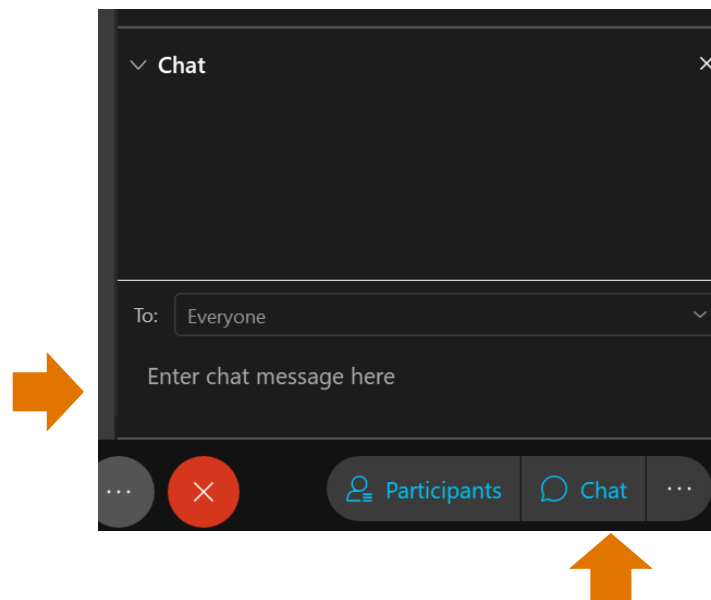
- Temporary flexibilities included the following:
 - Medicaid fair hearings – temporarily extended timelines to file
 - Hospitals – waiver of certain physical environment requirements, flexibilities to address capacity (swing beds)
 - Skilled nursing facilities – waiver of certain assessment processes, hospital stay requirements, physician visits and reporting timelines
 - Intermediate care facilities for individuals with intellectual disabilities – waiver of certain physical environment and staffing requirements

Proposed Changes *(cont.)*

- Temporary flexibilities included the following:
 - State plan home health and hospice – temporary suspension of supervisory visits, completion of tasks remotely, modify timeframes for assessment and reporting
 - Durable medical equipment and pharmacy – waiver of certain documentation requirements and allowances for replacement of equipment/prescriptions
 - Temporary adjustment of prior authorization requirements
 - Targeted case management and HCBS services – extended timelines and requirements for service delivery

Public Comment

MCAC members and all other attendees who wish to comment, please use the chat feature now.



Policy Updates

Margaret Alewine, Bureau Chief, Policy

Federally Qualified Health Center (FQHC) and Rural Health Center (RHC) Policy Manual Updates

- Policy manuals for FQHCs and RHCs were updated effective Sept. 1, 2024.
- Trainings were conducted for each manual and will be made available on the SCDHHS website in the provider training resources section.
- Key updates:
 - Consolidated manual that includes policies for covered services, utilization management and billing procedures that were previously located in the Physicians Services and FQHC or RHC Behavioral Health Services Provider Manuals

FQHC/RHC Policy Manual Update Overview

Section	Name	Page	Changes
1	Program Overview	3	Clarified program description and created new Forms link.
2	Covered Population	6	Defined beneficiary subgroups eligible to receive services. Also added language about verifying beneficiary's eligibility in the SCDHHS web portal.
3	Eligible Providers	8	Added definition of what is considered an eligible provider for services and requirements to maintain that eligibility.
4	Covered Services	12	Added definitions and descriptions of covered services.
5	Utilization Management	16	Added description of authorizations and policy language regarding authorization requirements. Added policy language that services exceeding frequency may be approved via EPSDT.
6	Reporting and Documentation	18	Added policy language specifying record retention and content requirements. Added procedure codes and requirement to use the most current version of ICD-10, CPT, and HCPCS codes set.
7	Billing Guidance	20	Clarified language on existing encounter, supplies, ancillary services, special clinic services, crossovers/CBP, and annual cost report policies. Added new policy language on reimbursement and charge limits.
8	Benefit Criteria and Limitations	29	New section. Added language on state plan services in alignment with CFR and state plan and language on encounters, specific service policy linked to respective manuals.

Rate and Policy Updates for COVID-19 Testing, Vaccine Administration and Treatment Services

- SCDHHS announced rate and policy updates for dates of services on or after Oct. 1, 2024, in Medicaid bulletin #24-051
- During the federal COVID-19 PHE, SCDHHS created temporary reimbursement methodologies and coverage policies for COVID-19 testing, vaccine administration and treatment services.
- Changes to what were previously temporary reimbursement rates and policies are as follows:
 - Rates
 - During the federal COVID-19 PHE, SCDHHS' reimbursement guidance for COVID-19 testing and vaccine administration followed the Medicare fee schedule under the American Rescue Plan Act authority. SCDHHS updated the reimbursement rates for these services to align with the South Carolina State Plan reimbursement methodology.
 - Updated rates are reflected on the following fee schedules: physicians, independent lab and radiology and outpatient hospital

Rate and Policy Updates for COVID-19 Testing, Vaccine Administration and Treatment Services *(cont.)*

- Coverage of services under the State Plan benefit
 - COVID-19 testing performed by qualified providers will become a covered State Plan service for full-benefit Healthy Connections Medicaid members.
 - COVID-19 vaccines and vaccine administration will become a covered State Plan service for full-benefit Healthy Connections Medicaid members, in accordance with the U.S. Centers for Disease Control and Prevention's Advisory Committee on Immunization Practices recommendations and guidance issued via Medicaid bulletin MB# 23-044.
 - COVID-19 testing will continue to be paid as "bill-above" when performed by RHC providers.
 - COVID-19 vaccine administration will continue to be paid as a "bill-above" service when delivered by a FQHC or RHC provider.

Rate and Policy Updates for COVID-19 Testing, Vaccine Administration and Treatment Services *(cont.)*

- Expiration of services
 - Over-the-counter COVID-19 tests will no longer be a covered service.
 - COVID-19 testing will no longer be payable as "bill-above" when performed by FQHC providers.
 - Coverage requirements related to COVID-19 treatment, outlined in Medicaid bulletin #23-018 for full-benefit members, will sunset Sept. 30, 2024. Services related to COVID-19 treatment will be subject to existing coverage limitations as outlined in SCDHHS provider manuals, following the clinical standards of care.

Advisement: Managed Care Organization (MCO) Certification and Plan Limits

Eunice Medina, Interim Director

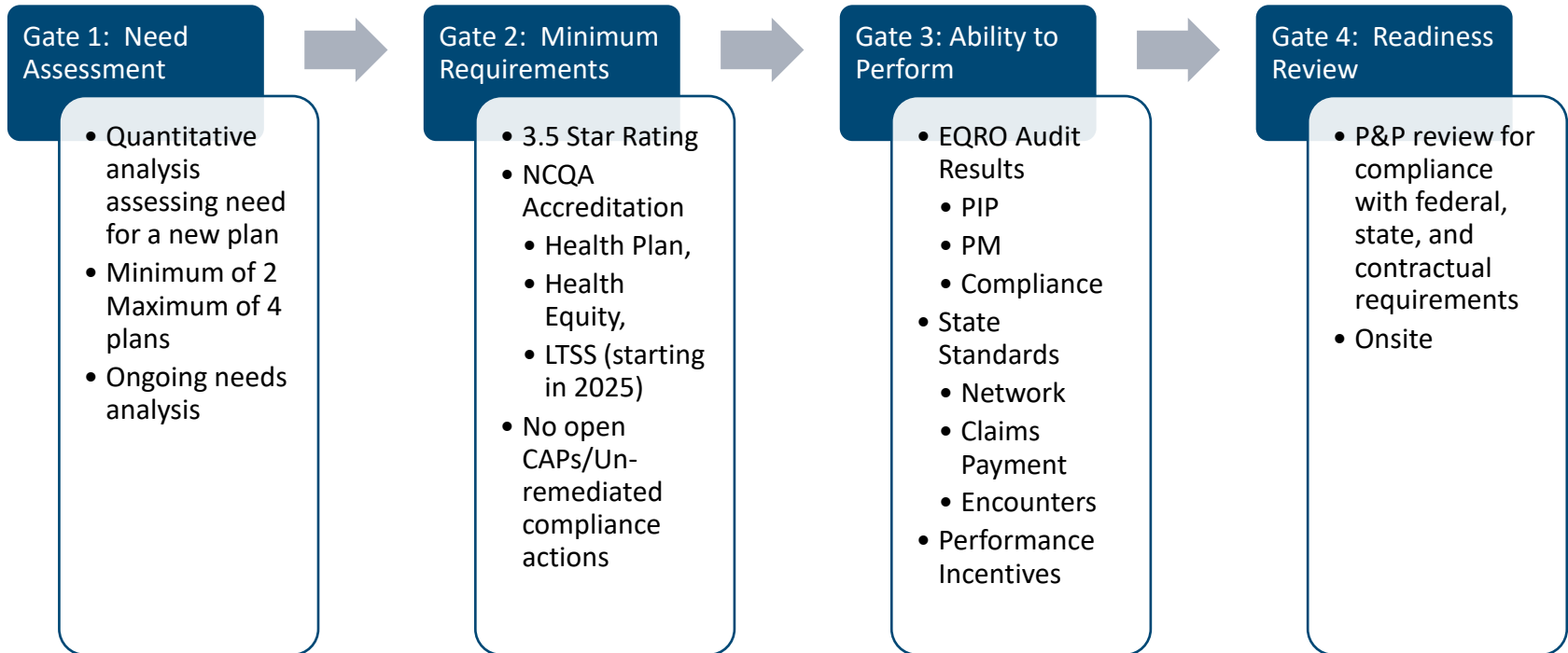
Background

- SCDHHS does not currently define any limitations on the number of entities it contracts with in its managed care delivery system.
- SCDHHS will be updating the “Selective Contracting under a 1932 State Plan Option” section of Attachment 3.1-F in the South Carolina Title XIX State Plan.
- Updates to the State Plan aim to:
 - Enhance the contracting process with MCOs
 - Significantly increase the overall effectiveness of our managed care program
 - Improve member experience
 - Improve operational efficiencies and effectiveness between SCDHHS, MCOs and the provider community

Changes

- The state will intentionally limit the number of contracted MCOs.
- Limitations on the number of managed care organizations will be defined as a minimum of two and a maximum of four MCOs.
- Implements an enhanced MCO certification process for considering any new applicants and ongoing review of current MCOs with whom SCDHHS contracts.

MCO Certification Process



Note: Components of gates 2-4 will also be used to certify incumbent managed care plans

Budget Impact and Effective Date

Budgetary Impact

- SCDHHS anticipates no budgetary impact.

Effective Date

- On or after Oct. 1, 2024

Public Comment

MCAC members and all other attendees who wish to comment are encouraged to use the chat feature now.

