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**Medical Care Advisory Committee  
July 8, 2014 Meeting Minutes****Present**

Sue Berkowitz  
Dr. Tom Gailey  
Lea Kerrison  
Bill Lindsey  
Melanie Matney  
Dr. Kashyap Patel  
Lathran Woodard

**Not Present**

John Barber  
William Bilton  
Richard D'Alberto  
Dr. Charles Darby  
Diane Flashnick  
Dr. Greta Harper  
Chief Bill Harris  
J.T. McLawhorn  
Dr. Amy Picklesimer  
Gloria Prevost  
Crystal Ray  
Timothy Stuart  
Nathan Todd  
Rhonda L. Johnson-White, Ph.D.  
Dr. Lynn Wilson

The Director welcomed members.

**Advisement presented by Jeff Saxon:**

**NH Rates Effective October 1, 2014:** The South Carolina Department of Health and Human Services (SCDHHS) intends to update the Medicaid nursing facility rates effective October 1, 2014 using the fiscal year ending September 30, 2013 cost report information. The Department will: provide payments to nursing facilities based on the most recent cost report data available (i.e., FYE September 30, 2013); update the cost center standards based upon the FYE September 30, 2013 Medicaid cost reports; apply a 3.30% inflation factor in the calculation of the October 1, 2014 payment rates; apply an updated deemed asset value and market rate of return factor for October 1, 2014 Medicaid rate setting purposes; and eliminate the application of a budget neutrality factor in the calculation of the October 1, 2014 payment rates. In addition to the above payment updates, SCDHHS intends to update the current Medicaid reimbursement methodology as follows: update the Medicaid payment policy as it relates to a change in ownership due to a purchase of fixed assets by discontinuing the practice of allowing the new owner to receive a new Medicaid rate based upon a minimum six month cost report. Under this proposal, the new owner would receive the prior owners most recent Medicaid rate adjusted for any industry wide inflation trend or industry wide add-on upon the effective date of the change in ownership; update the Medicaid payment policy as it relates to a change in ownership due to a lease of fixed assets by discontinuing the practice of allowing the new owner to receive a new Medicaid rate based upon a minimum six month cost report effective the seventh month of operation. Under this proposal, the new owner would continue to receive the prior owners most recent Medicaid rate adjusted for any industry wide inflation trend or industry wide add-on effective with the seventh month of operation and; perform a retrospective settlement process on any nursing facility that employs a Medicaid allowable self-insurance plan under the following circumstances: (1) when there is a conversion of the self-insurance plan to a commercial insurance plan or (2) when a sale or lease of a nursing facility occurs and the prior owner/lessor employed a self-insurance plan. Annual aggregate expenditures are expected to increase by approximately \$24.0 million (total dollars).

**Advisements presented by Valeria Williams:**

**Tuberculosis Limited Benefit Category:** SCDHHS proposes to implement a new program that offers Medicaid coverage to persons with latent tuberculosis (TB) infection or TB disease who are uninsured or underinsured and not eligible for regular Medicaid. The TB-Only program helps pay some medical costs for the care of TB infection or TB disease. This program will be administered through the Department of Health and Environmental Control (DHEC). TB-Only services will cover services directly related to the care of TB. These include: prescribed treatment medications; physician services and services related to TB including outpatient hospital services, public health clinics, rural health clinic services, and federally qualified health center services; laboratory and X-ray services (including those to confirm the presence of infection or disease); case management services; and services (other than room and board) designed to encourage completion of regimens of prescribed drugs by outpatients, including services to directly observe the intake of prescribed treatment medications. This plan does not pay for hospital stays or room and board. DHEC will use state appropriated funds to leverage FFP to enhance the existing program. Estimated total annual state and federal cost \$4 million. Members asked questions relating to the income requirements, eligibility requirements and if this was carved into MCOs. All questions were answered by SCDHHS staff.

**Preventative Services State Plan Update:** SCDHHS proposes to expand the Preventative Services policy in accordance with recommendations made by the United States Preventive Services Task Force (USPSTF). The screening guideline serves as recommendations for individuals at normal risk. Additions to the revised policy include: Diabetes screening, Health and Behavioral assessments, Cholesterol abnormalities screening, HIV screening, High Blood pressure screening, Counseling for a healthy diet, Screening for Hepatitis C, Screening for intimate partner violence, Counseling for tobacco use and Behavioral counseling to prevent skin cancer. The estimated fiscal impact for this project is \$2 million. Member asked a question about separate G code for services. Valeria Williams stated SCDHHS will follow the coding outlined by CMS; using codes in USPSTF.

**Advisement presented by George Maky:**

**Five Year Renewals for the Pervasive Development Disorder Waiver (PDD) and the Intellectually Disabled/Related Disabilities Waiver (ID/RD) Home and Community-Based Waiver Programs:** SCDHHS will update the waiver programs to address operational issues and service delivery through the following proposals: IDRD Waiver: Revise the Medicaid ICF/IID level of care criteria to clarify the developmental period for intellectual disability is prior to age 22; address the CMS final rule requirements; modify performance measures for quality improvement; modify the waiting list procedures; implement a 2 waiver service minimum related to the addition of the waiver case management service; remove psychological service due to the service's availability through the State Plan; revise respite service provider qualifications to expand provider availability; add a non-medical transportation waiver service for various day services. PDD Waiver: Address the CMS final rule requirements; modify performance measures as necessary for quality improvement; modify the waiting list procedures; revise reimbursement rates for EIBI Services; revise waiver policies to expand provider availability; add Registered Behavioral Technician (RBT) as an additional qualified Early Intensive Behavioral Intervention (EIBI) line therapist. The renewal proposals for the IDRD waiver may increase waiver costs related to adding a non-medical transportation service, and additional respite service providers. Cost projections for these changes continue to be evaluated. The renewal proposals for the PDD waiver may increase waiver costs related to revising EIBI therapy reimbursement rates, and the additional EIBI service providers/qualified staff. Cost projections for these changes continue to be evaluated.

**Advisement presented by Beth Hutto:**

**Estate Recovery:** The objective is to increase the minimum estate asset value upon which SCDHHS can file claims from \$10,000 to \$25,000. Currently, SCDHHS files claims against estates with assets valued at \$10,000 or more. SCDHHS would like to increase the minimum amount to \$25,000. It has been determined that estates with assets totaling \$25,000 or less are not cost-effective to pursue after all priority expenses (funeral, attorney fees, etc.), have been paid. Increasing the minimum estate asset value to \$25,000 will result in an estimated \$500,000 decrease in recoveries. Effective date is October 1, 2014. Members had questions if this applied to Low Income Families and the cost of the Estate Recovery Process. Beth answered Estate Recovery applies when applying for Long Term Care only. Last year's recoveries from the Estate Recovery Program totaled approximately 3.6 million.

**Beth Hutto, Deputy Director, Office of Eligibility Enrollment and Member Services presented on the following:**

**Trends in Medicaid Enrollment:** FY 2014 June 2014 enrollment updated projection is 1,095,320. May 2014 preliminary enrollment 1,097,489 and projected enrollment was 1,089,860 (0.70% over). FY 2014 member months updated projection is 12,594,815 (771,669 reduction). May 2014 preliminary member months 11,404,786 and projected member months was 11,499,495 (0.82% under). Members asked questions regarding cases that are coming in. Beth provided an update on the number of cases in the work queue and those that are currently being worked.

**Long Term Care (LTC) Process Improvements:** SCDHHS has undergone a staffing redesign. Interviewed, tested and converted 65 internal staff to specialize in LTC work; dedicated solely to LTC Cases. Training consisted of 3 day session with all LTC workers and coordinators; promoted consistent processing and communication and included LTC providers, community providers, etc. The process re-design mapped current LTC eligibility process, developed improved process, worked with stakeholders to continue improvements. The self-attestation of "no asset transfers" allowed for expedited final determinations for 640 LTC applications.

**Emma Husby, Project Manager, Project Management Office presented on the following:**

**Health Connections Check-up:** Healthy Connections Check-up is a Medicaid limited benefit program. This program was previously called "Family Planning". The enhancement is to update the benefit structure for the current Family Planning-Only benefit category to include a comprehensive biennial (once every two years) physical examination and screenings/labs recommended by the U.S. Preventive Services Task Force. The goals are to enable providers to make informed decisions regarding the selection of an appropriate contraceptive method and promote the utilization of preventive health care in order to improve health outcomes for families in South Carolina. The effective date is August 1, 2014. SCDHHS is producing a new card that says healthy Connections Checkup and it will be blue. January 1, 2015 Healthy Connections Check-up transitions to Managed Care. Member asked if treatment is covered under this program and Emma answered no. Members discussed some of the issues this could cause.

**Nathaniel Patterson, Program Manager, Office of Health Programs presented on the following:**

**2014 MCO Contract:** In May-June 2014 there was a public comment period. SCDHHS received 600+ questions and comments submitted. From June –July 2014, SCDHHS incorporated edits based on public comments received and conducted meetings with stakeholders (CCIG, MCOs, etc.); the Contract was submitted to MCOs for signature and submitted signed copies to CMS. July 1, 2014 is the effective date. Moving forward SCDHHS will finalize supplemental materials (i.e., Policy Manuals and Technical Business Requirements), recruit and train additional internal SCDHHS staff and conduct

monthly/quarterly SCDHHS-MCO meetings in preparation for implementation of new contractual requirements (e.g., Reporting, Regional Networks, etc.). Member asked if there would be meetings with contractors and Nathaniel answered there would be monthly and quarterly meetings.

**Kevin Bonds, Program Manager, Office of Health Programs presented on the following:**

**Healthy Outcomes Plan (HOP):** The end of May 2014 enrollment was 7,026 (83%--of 8500 targeted enrollees). 21 HOPs are at 100%. Some of the social determinants are transportation and contact information. Gain-SS: 57% screened high for BH Services. Infrastructure has been put in place.

**Adriana Day, Deputy Director, Office of Finance and Administration presented on the following:**

**FY14 Year to Date Budget.** Adriana gave an overview of the FY14 Year to Date budget.

Meeting Adjourned

Next meeting scheduled for Tuesday, September 10, 2014 10:00AM to 12:00 PM