SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

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# MEDICAID BULLETIN

**TO:** **Rehabilitative Behavioral Health Services Providers**

**SUBJECT:** **Addition of Intercept for Intensive In-home Services**

The South Carolina Department of Health and Human Services (SCDHHS) will add coverage of Intercept, an evidence-based intensive in-home service model, through the Medicaid State Plan on or after Aug. 1, 2026. The Rehabilitative Behavioral Health Services (RBHS) Provider Manual will be updated by Aug. 1, 2026, to reflect the addition of this service.

**Intercept**
The Intercept model uses an integrative process combining evidenced-based clinical practices and consultation with a licensed program expert. The model targets youth at risk of entering foster care or other out-of-home placements and their families. Intercept is validated for children and youth up to age 20 who 1) have significant emotional and/or behavioral problems and/or 2) have experienced abuse and/or neglect.

Intercept services have a typical duration of four to six months depending on individual and family needs. Services are provided in the home or community and include 24-hour on-call crisis support seven days per week.

**Becoming an Intercept Provider**
Intercept services must be delivered by a qualified team licensed by model developer and purveyor, Youth Villages. Provider organizations interested in developing an Intercept team must work directly with Youth Villages for licensing and requisite training in the model prior to service delivery. Providers who are interested in enrolling as a Healthy Connections Medicaid provider to bill for this service can learn more about the provider enrollment process here on the SCDHHS website. Additional information about how providers can become licensed to deliver Intercept services will be added to the RBHS Provider Manual by Aug. 1, 2026.

**Fidelity Requirements**
Continuous quality improvement (CQI) is incorporated throughout the Intercept model, with specific fidelity measures tied to high-quality service delivery that lead to sustainable long-term outcomes for children and families. Intercept teams must complete all initial and ongoing

training and supervision requirements for model service delivery and comply with all aspects of the CQI process to ensure fidelity. Only those teams operating with fidelity to the model will be reimbursed for Intercept services.

**Rates for Intercept**

Intercept services will be reimbursed with a bundled daily rate. Discrete RBHS services that comprise the bundle include the following:

- Behavioral health screening;
- Diagnostic assessment;
- Diagnostic assessment – follow-up;
- Family psychotherapy;
- Service plan development;
- Crisis management;
- Family support services; and/or
- Behavior modification.

The service limits are designed to enhance provider flexibility and increase access to care; therefore, in lieu of prior authorization, each service is structured to have a standard number of encounters and length of time allowable to utilize those encounters. This represents the basic frequency and intensity of services for the duration of the model's average episode of care, shown below.

| Service | Procedure Code | Service Limits | Unit Rate |
|---|---|---|---|
| Intensive In-home Services – Intercept (IIHS-IC) | H0037-U2 | 48 encounters over a period of 120 days; one encounter may be billed per member per day | $309.56 per diem |

Encounters may be used in any frequency combination to meet the intensity required based on the medical necessity of the youth and needs of the family. Any additional units required beyond the service limit listed above must be prior authorized after submission of documentation substantiating medical necessity. Documentation **must** be attached to the next claim submitted after 48 encounters for proper reimbursement. Claims with attached documentation must be submitted via the Medicaid webtool.

**Anti-kickback Policy**

SCDHHS is reminding providers of its anti-kickback policy published in the Provider Administrative and Billing Manual to ensure compliance with state and federal laws.

The South Carolina Healthy Connections Medicaid program strictly prohibits all forms of provider kickbacks and self-referrals as outlined in S.C. Code § 44-113-60 and 42 USC § 1320a-7b(b). Violations of either statute may result in administrative, civil and/or criminal penalties, up to and including program termination and referral to law enforcement authorities.

South Carolina's Healthy Connections Medicaid managed care organizations (MCOs) are

responsible for the coverage and reimbursement of services described in this bulletin for members enrolled in an MCO.

Providers should direct questions related to this bulletin to the Provider Service Center (PSC) at (888) 289-0709 or to MedicaidStatePlan@scdhhs.gov. The PSC's hours of operation are 7:30 a.m.-5 p.m. Monday-Thursday and 8:30 a.m.-5 p.m. Friday.

Thank you for your continued support of the South Carolina Healthy Connections Medicaid program.

/s/
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