SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Henry McMaster GOVERNOR
Eunice Medina DIRECTOR
P.O. Box 8206 > Columbia, SC 29202
www.scdhhs.gov

Medicaid Advisory Council (MAC) Meeting Agenda

Agenda		
Date: May 12, 2026	Time: 10 a.m.-12 p.m.	Location: Microsoft Teams

Topic	Presenter
1. Director's Welcome	Eunice Medina, Director
2. Member Disclosure of Conflict of Interest	Shadda Winterhalter, Strategic Initiatives Specialist
3. MAC Member Updates	
4. Managed Care Organization (MCO) Marketing Materials: Member Review Process	
5. Medicaid Enrollment	Lori Risk, Bureau Chief, Eligibility, Enrollment and Member Services Policy and Contracts
6. Advisement: Supplemental Teaching Physician (STP) Payment Program	Nika Simmons, Bureau Chief, Reimbursements
7. Advisement: Federally Qualified Health Center (FQHC) Reimbursement Methodology Updates	Noelle Wriston, Director of Pricing
8. Advisement: End-Stage Renal Disease (ESRD) Benefit and Rate Update	Margaret Alewine, Bureau Chief, Policy
9. Advisement: Outpatient Hospital Payment Methodology Update	
10. Policy Updates	
Closing Comments	
Adjournment	

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Henry McMaster GOVERNOR
Eunice Medina DIRECTOR
P.O. Box 8206 > Columbia, SC 29202
www.scdhhs.gov

Medicaid Advisory Council
Feb. 10, 2026, Meeting Minutes

Present	**Not Present**
Steve Boucher	Sue Berkowitz
Shannon Chambers	Maggie Cash
Steven Ferrufino	Dr. Kacey Eichelberger
Amanda Hiers	Chief Brian Harris
Amy Holbert	Constance Holloway
JT McLawhorn	Vicki Young
Rickie Shearer	

Director's Welcome

Agency Budget Request

SCDHHS Director Eunice Medina welcomed the Medicaid Advisory Council (MAC). She stated she has already presented the agency's budget request of $203 million in recurring dollars to the House of Representatives. She stated that $20 million of these funds would pay for rate increases for autism spectrum disorder and home and community-based (HCBS) providers. She said she is scheduled to present to the Senate next week, and she is hopeful the agency will be funded the full amount.

Rural Health Transformation Program (RHTP)

Director Medina provided an update on RHTP. She stated the Centers for Medicare and Medicaid Services (CMS) announced it will award the state approximately $200 million to help increase access to health care in rural communities. She said the agency is currently meeting frequently with CMS to finalize the budget so it can begin to issue grant opportunities. Medina encouraged people to sign up for Medicaid bulletins and visit the Grant Opportunities web page on the agency website to keep informed on this program, upcoming grant opportunities and a forthcoming webinar, which will provide additional information on these grants and how to apply. The grant opportunities are also described in the agency's application to CMS, which is also on the web page.

Managed Care Carve-in

Director Medina also updated attendees on the managed care carve-in. She stated phase one of the carve-in began Jan. 1, 2026, and 136,000 dual eligible members, meaning they have both Medicare and Medicaid, transitioned to a managed care plan on that date. These members have a 180 continuity of care to ensure access to health care services during the transition to a managed care plan.

Phase two of the carve-in will begin mid-2027 and will transition the Community Choices, HIV and Vent HCBS waiver services to the managed care plans.

Additional information can be accessed on the Managed Care Carve-in web page.

The following questions were provided.

1. Do we know what phase children with TEFRA eligibility or BabyNet will be in the MCO carve-in?
    a. The agency stated it is looking to carve-in individuals in BabyNet and waiver programs with children who have complex care needs and disabilities in phase three, which is projected to occur in 2028/2029.
2. We are part of the carve-in. Primary doctor was replaced, but fixed. How can existing providers that refuse to accept anything but straight Medicaid bill for the 180 days? We are not getting care because they can only bill under an MCO, and the providers will not accept these plans.
    a. The agency asked the attendee to an email to Shadda.Winterhalter@scdhhs.gov, so they could be connected to the right people to assist.
3. Where will the children with TEFRA fall?
    a. The agency responded that children with TEFRA eligibility are currently voluntary for enrollment in managed care. Some members are currently in managed care today. The agency's current plan is to complete the transition of this population into managed care by 2028/2029.

MAC Member Updates

Strategic Initiatives Specialist Shadda Winterhalter provided an update on MAC membership including the introduction of the newest members to MAC who started serving their two-year term on the council starting Jan. 1, 2026. She also reminded attendees to disclose if they have a conflict of interest before they participate in a meeting discussion, per federal requirements.

There were no questions or comments.

Medicaid Enrollment

Eligibility, Enrollment and Member Services Chief of Policy and Contracts Lori Risk stated the agency is in normal operations and provided an update on South Carolina Healthy Connections Medicaid's enrollment. She clarified the managed care organization (MCO) vs. fee-for-service breakdown of enrollment numbers is from a timeframe prior to the carve-in date discussed earlier in this meeting. She also stated the Federal Poverty Level standards for Medicaid-eligibility will be updated on the agency website when they go into effect March 1, 2026.

There were no questions or comments.

Advisements and Updates

Advisement: Home and Community-based Services Waiver Renewal

Chief of Policy Margaret Alewine provided an overview of the advisement.

There were no questions or comments.

Policy Updates

Margaret Alewine provided an update on Healthy Connections Medicaid service and policy changes.

The following question was provided.

1. Do we have a date of when the MCO will be announced from their October submissions? I may have missed it on a prior meeting.
    a. The agency responded it will update this council once the MCO certification process is complete.

Closing

The meeting was closed by thanking attendees for their participation. The next MAC meeting will be held May 12, 2026.

Thank you for participating in the Medicaid Advisory Council.

The meeting will begin shortly.

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Medicaid Advisory Council (MAC)
May 12, 2026

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

Thank you for participating in the MAC meeting.

Meeting Logistics

- Attendee lines will be muted for the duration of the webinar to minimize disruption.
- MAC 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 using the chat feature in Teams.

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Director's Welcome

Eunice Medina, Director

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Member Disclosure of Conflict of Interest

Shadda Winterhalter, Strategic Initiatives Specialist

Member Disclosure of Conflict of Interest

MAC members who wish to speak on a topic in which they have a conflict of interest must disclose the conflict before participating in the discussion.

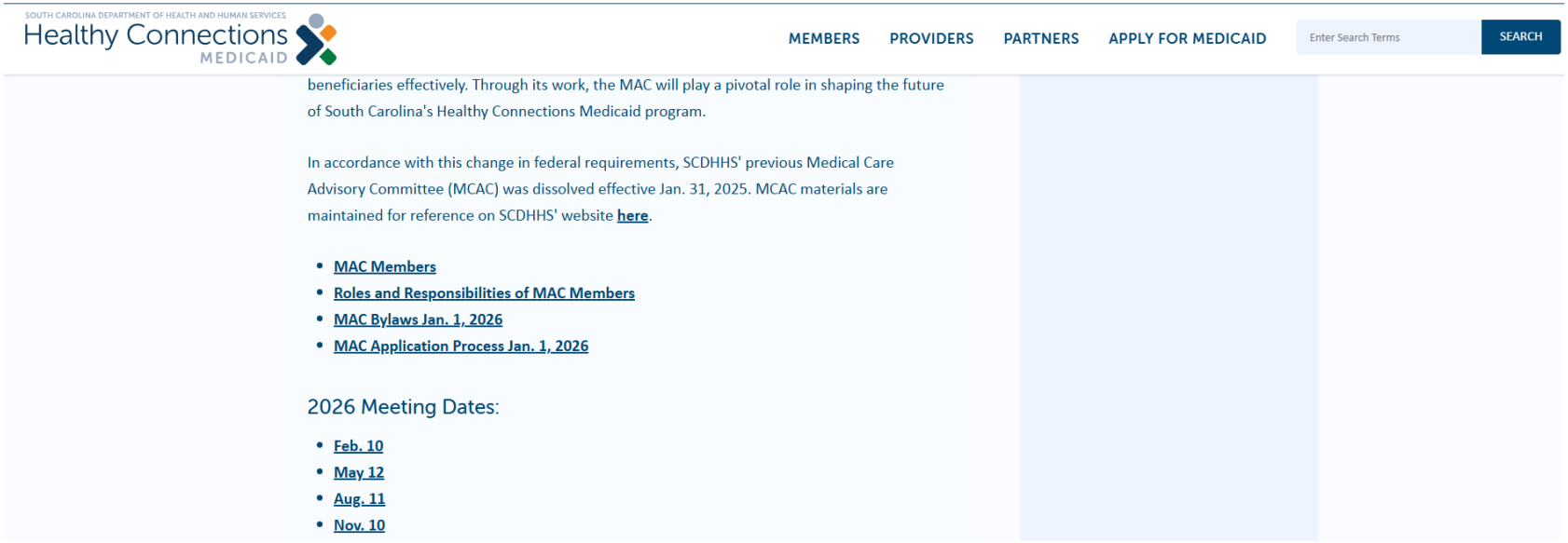
SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

MAC Member Updates

Shadda Winterhalter, Strategic Initiatives Specialist

MAC Member Updates

- Website updates
  - www.scdhhs.gov/partners/committees-and-groups
  - Materials: Roles and responsibilities, bylaws, application process
  - Registration links for future meetings



SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Managed Care Organization (MCO) Marketing Materials

Shadda Winterhalter, Strategic Initiatives Specialist

MAC Federal Requirements

- 42 CFR §438.104(c)
- ***State agency review.*** In reviewing the marketing materials submitted by the entity, the state must consult with the Medical Care Advisory Committee established under § 431.12 of this chapter or an advisory committee with similar membership.

Federal Definition

- 42 CFR §438.104(a)
- ***Marketing*** means any communication, from an MCO, prepaid inpatient health plan (PIHP), prepaid ambulatory health plan (PAHP) or primary care case management (PCCM) to a Medicaid member who is not enrolled in that entity, that can reasonably be interpreted as intended to influence the member to enroll in that particular MCO's, PIHP's, PAHP's, or PCCM's Medicaid product, or either to not enroll in, or to disenroll from, another MCO's, PIHP's, PAHP's, or PCCM's Medicaid product.
- Marketing materials means materials that—
  1) Are produced in any medium, by or on behalf of an MCO, PIHP, PAHP, or PCCM; and
  2) Can reasonably be interpreted as intended to market to potential enrollees.

Other Federal Requirements

- MCOs are prohibited from distributing marketing materials without prior approval of the state [42 C.F.R. § 438.104(b)(1)(i)].
- Marketing materials may not contain false or materially misleading information [42 C.F.R. § 438.104(b)(2)].
- MCOs are required to distribute marketing materials throughout their contractually-specified service area [42 C.F.R. § 438.104(b)(1)(ii)].
- MCOs are prohibited from directly or indirectly engaging in door-to-door, telephone or other types of "cold-call" marketing activities [42 C.F.R. § 438.104(b)(1)(iv)].
  - Cold call marketing is defined as any unsolicited personal contact by the plan for the purposes of marketing [42 C.F.R. § 438.104(a)].
- MCOs must also ensure that prior to enrollment individuals receive sufficient information, in a language and format that is easily understood, to make an informed decision regarding whether to enroll in a particular MCO [42 C.F.R .§ 438.104(b)(1)(iii); 42 C.F.R. § 438.10].

Material Types

- Marketing materials include, but are not limited to, the following:
  - Brochures
  - Posters
  - Videos
  - Billboards
  - Banners
  - Commercials (radio and television ads/scripts)
  - Print ads (newspapers, magazines)
  - Event signage
  - Vehicle coverings (buses, vans, etc.)

Process

- SCDHHS will be sending out all MCO marketing materials for MAC member review on a quarterly cycle (the same month of the MAC).
  - This will come in an email directly to the member to include:
    - A spreadsheet to fill out any concerns or provide approval for the material
    - Each individual marketing material
- Each member will need to send the **completed spreadsheet** back by the **fifth** of the month following MAC.
- Any questions or concerns can be sent to Shadda Winterhalter at shadda.winterhalter@scdhhs.gov.

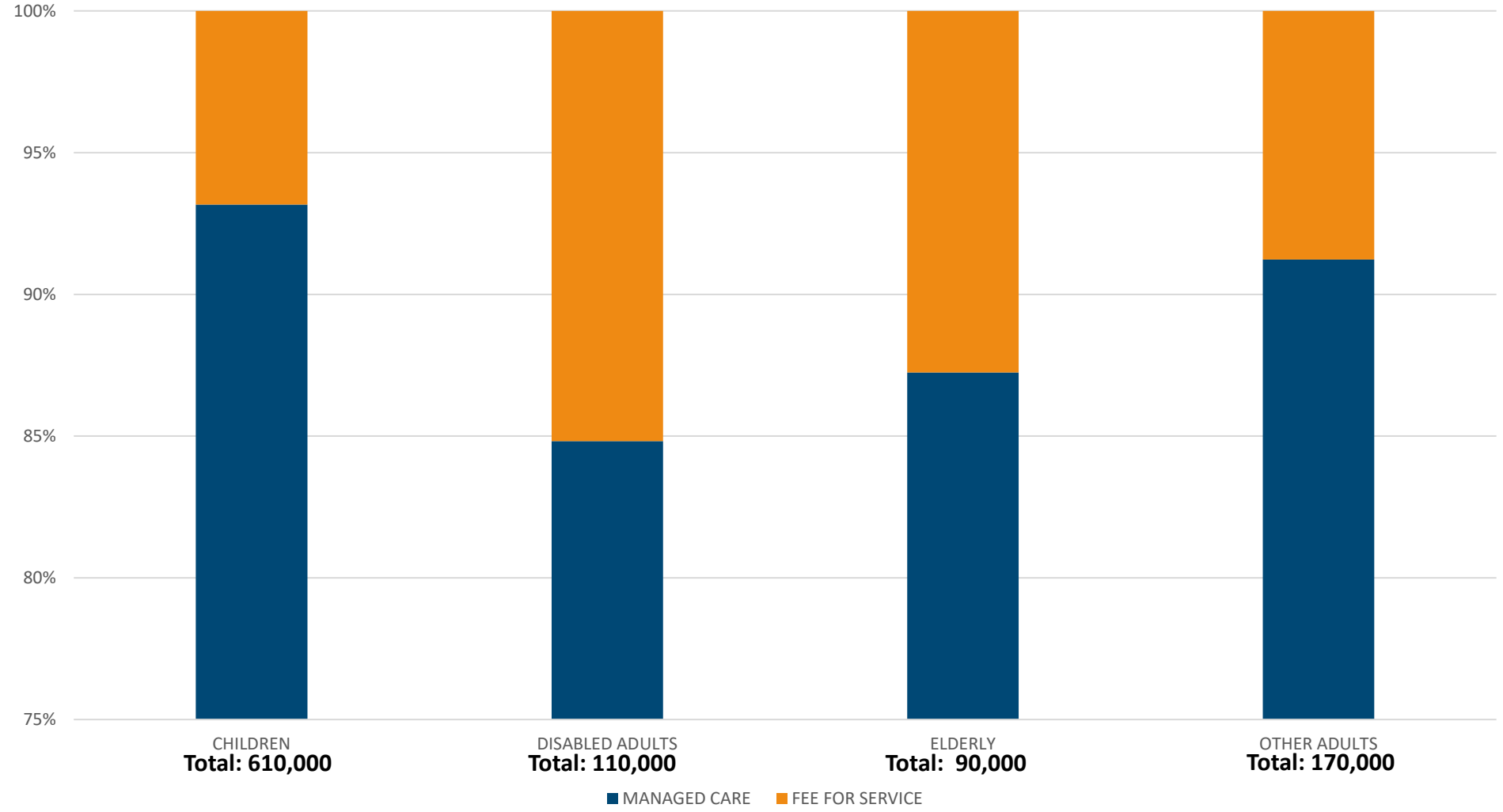
SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Medicaid Enrollment

Lori Risk, Bureau Chief
Eligibility, Enrollment and Member Services Policy and Contracts

Full-benefit Membership by Population

(as of Feb. 28, 2026)



Full-Benefit Enrollment: Approx. 980,000

Eligibility Policy Update

- Implementation of Section 71109 “Alien Medicaid Eligibility” of the Working Families Tax Cut Legislation (Public Law 119-21)
  - **Effective Oct. 1, 2026**
- Limits federal funding for Medicaid and Children’s Health Insurance Program for non-citizens
- Does not affect:
  - Lawful permanent residents
  - Cuban/Haitian entrants
  - Compact of Free Association migrants
- System and policy updates are in progress
- Current analysis in progress to determine impacts based on recent guidance from Centers for Medicare and Medicaid Services (CMS)

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Advisement: Supplemental Teaching Physician (STP) Payment Program

Nika Simmons, Chief of Reimbursements

Background

- SCDHHS will update the base year data used for the determination of the STP payments under the CMS-approved STP average commercial rate (ACR) payment methodology.
- The current STP payment methodology effective April 1, 2026, employs the use of average commercial rates, Medicaid fee-for-service (FFS) claims experience and STP listings applicable to calendar year 2025 service dates for each STP provider.

Changes

- To update the STP ACR payments for the period April 1, 2026, through March 31, 2027, SCDHHS will employ calendar year 2025 commercial payer rates, Medicaid FFS claims data and updated teaching physician listings for each STP provider.
- The Medicaid FFS claims data will be adjusted by an incurred but not reported factor to account for any incurred calendar year 2025 claims that may pay during the course of calendar year 2026.
- SCDHHS will continue to determine the STP ACR payments on a provider-specific level based upon the use of the average commercial rate per code.
- SCDHHS will submit a state plan amendment for this policy change.

Budget Impact and Effective Date

Budgetary Impact:

- No state match will be incurred by SCDHHS since the state matching funds required for these payments are provided via intergovernmental transfers from the medical universities, non-state-owned governmental hospitals or from the South Carolina Area Health Education Consortium.

Effective Date:

- On or after April 1, 2026

Public Comment

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

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Advisement: Federally Qualified Health Center (FQHC) Reimbursement Methodology Updates

Noelle Wriston, Director of Pricing

Background

- SCDHHS is updating the State Plan to ensure its reimbursement language for FQHCs aligns with federal requirements under the Benefits Improvement and Protection Act (BIPA) of 2000.
- The updates clarify how FQHC services are reimbursed under the federally-required prospective payment system (PPS) or an alternative payment methodology (APM) that meets federal standards.
- These changes are clarifying in nature and do not alter provider reimbursement rates.

Background *(cont.)*

- SCDHHS is also establishing clearer, more structured criteria for determining when a change in scope of services qualifies for a rate adjustment.
- A scope change must directly affect the clinic's cost per visit and must result in at least a five percent difference compared to the applicable baseline rate to qualify for an adjustment.
- This will ensure rates reflect the true cost impact of the service change.

Changes

- Adds clarifying state plan language stating FQHC services are reimbursed in accordance with BIPA Section 702.
- Describes PPS and APM requirements, including the requirement that any APM must be mutually agreed upon and pay at least the PPS rate.
- Outlines the PPS rate calculation process, including use of FY 1999–2000 Medicare cost reports, Medicare Economic Index and adjustments for changes in scope of services.
- Defines reporting expectations: annual cost report submission, desk review processes and handling of Medicaid vs. non-Medicaid costs.
- Clarifies how PPS rates are established for new clinics using comparable or statewide average rates.
- Updates the federal citation for administrative requirements to 2 CFR Part 200.
- Establishes criteria for approving scope-of-service changes, including the five percent cost-per-visit threshold and conditions for increases and decreases in rates.

Budget Impact and Effective Date

Budgetary Impact:

- SCDHHS anticipates an annual savings of approximately $150,000 total dollars.
- State match will be from general fund appropriation.

Effective Date:

- April 1, 2026

Public Comment

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

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Advisement: End-Stage Renal Disease (ESRD) Benefit and Rate Update

Margaret Alewine, Chief of Policy

Background

- SCDHHS gives notice of the following proposed actions regarding reimbursement methodology updates for ESRD clinics under the State Plan under Title XIX of the Social Security Act for Medical Assistance Program (Medicaid).
- SCDHHS is making this update to ensure better access to ESRD services.

Proposed Changes

- Effective on or after July 1, 2026, SCDHHS will amend the South Carolina Title XIX State Plan to update the reimbursement methodology for ESRD clinics as follows:
  - Reimbursement for dialysis services will be set at 80 percent of the 2025 Medicare PPS. The all-inclusive payment includes the following services:
    - Dialysis treatment
    - Equipment, supplies and costs of providing care, including staff time
    - Training in facility
    - Laboratory services
    - Drugs and biologicals (including those approved by Medicare under the Transitional Drug Add-on Payment Adjustment) and their oral or other form of administration

Proposed Changes *(cont.)*

- Certain services may be paid outside of the all-inclusive rate. Their reimbursement methodology is described below. Services not included in the all-inclusive rate are:
  - Preventive vaccines (Hep B, influenza, pneumococcal) reimbursed based on the methodology described in Section 13.c.1 Immunization of Attachment 4.19-B
  - Blood and blood processing services, reimbursed based on the methodology described in Section 5 Physician Services and Section 12.a Prescribed Drugs of Attachment 4.19-B
  - Services rendered via telehealth reimbursed based on the methodology described in Section 5 Physician Services of Attachment 4.19-B
  - Services rendered not for ESRD diagnosis such as acute kidney injury will be reimbursed at 80 percent of the CY 2025 Medicare PPS
  - Other services will be reimbursed based on methodology established for a service category as described in the respective section of Attachment 4.19-B
  - In-home dialysis training reimbursed at 80 percent of 2025 Medicare fee schedule

Budget Impact and Effective Date

Budgetary Impact

- SCDHHS anticipates an annual fiscal impact of approximately $2 million total dollars

Effective Date

- On or after July 1, 2026.

Public Comment

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

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Advisement: Outpatient Hospital Payment Methodology Update

Margaret Alewine, Chief of Policy

Background

- SCDHHS intends to amend the South Carolina Title XIX State Plan to update payment methodology for outpatient hospital drugs and biologicals.
- SCDHHS is making this change to clarify certain drugs administered during outpatient treatment as "add-on" drugs and to allow a separate reimbursement not subject to the outpatient hospital multiplier for specific drugs and biologicals.

Proposed Changes

- SCDHHS will amend the South Carolina Title XIX State Plan to update the payment methodology as follows:
  - Outpatient hospital drugs and biologicals will be reimbursed based on the methodology outlined in Section 12.a (H) for physician-administered drugs in Attachment 4.19-B.
  - Certain drugs and biologicals will be reimbursed as add-on drugs and biologicals and will not be subject to the outpatient hospital multiplier.

Budget Impact and Effective Date

Budgetary Impact

- SCDHHS does not anticipate a budgetary impact.

Effective Date

- On or after July 1, 2026.

Public Comment

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

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Policy Updates

Margaret Alewine, Chief of Policy

Anti-kickback Policy Effective April 1, 2026

- The SCDHHS Provider Administrative and Billing Manual has been updated to include clarification on the state and federal anti-kickback regulatory requirements:
  - The South Carolina Medicaid Program strictly prohibits all forms of provider kickbacks and self-referrals. S.C. Code § 44-113-60 expressly bans any remuneration—whether in cash or in kind, overt or covert, direct or indirect—as an incentive or inducement for referring or soliciting patients; any such payment, including referral fees or bonuses, is strictly prohibited.
  - Similar to state statutes, 42 USC § 1320a-7b(b) codifies illegal remunerations for health care programs including Medicaid and provides the criminal consequences of such violations under federal law. 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.

RBHS and LIP Manual Updates (Draft Issued for Comment May 1, 2026)

- The Rehabilitative Behavioral Health Services (RBHS) and Licensed Independent Practitioners (LIPs) provider manuals are being updated, to include the following:
  - Unified service definitions that will guide services rendered by both RBHS and LIP providers;
  - Updated and modernized language that reflects current behavioral health trends and best practices; and
  - Policy clarification to include more descriptive service guidelines and procedure code standards, strengthened description of medical necessity requirements and clarification in both manuals on issues identified identified from provider and stakeholder feedback.
  - Additionally, upon publication of the finalized manuals, the three RBHS Provider Manual appendices defining the evidence-based practices (Assertive Community Treatment, Multisystemic Therapy and Homebuilders) will be referenced via links to the appendices sections.

Prostate Cancer Screening Update Effective June 1, 2026

- Effective on or after June 1, 2026, SCDHHS is aligning its policy with the South Carolina Legislature's Prostate Cancer Study Committee final report to lower the recommended prostate cancer screening age to 50 years old or older.
- The South Carolina Legislature established a Prostate Cancer Study Committee which works to raise awareness, improve resources for individuals with prostate cancer, improve access to early detection and lower the age of screening from 55 to 50 years of age.
- Current United States Preventive Services Task Force recommendations for prostate cancer screening are for ages 55 and older. The American Cancer Society and American Urological Association recommend prostate cancer screening for ages 50 and older.

Clinic Services Manual Update Effective July 1, 2026

- Effective July 1, 2026, SCDHHS will publish a new Clinic Services Provider Manual.
- The new updated manual will provide a cohesive, user-friendly policy reference for providers.
- The manual includes policies related to the following clinics:
  - Ambulatory surgery centers (ASC)
  - ESRD
  - Infusion centers
  - Pediatric HIV clinics
  - Developmental evaluation centers
  - Opioid treatment programs
- Provider trainings will be conducted within 2 –3 weeks of the manual publication

DME Services Manual Update Effective July 1, 2026

- Effective July 1, 2026, SCDHHS will publish a new Durable Medical Equipment (DME) Services Manual.
- The new updated manual will provide a cohesive, user-friendly policy reference for providers of DME prosthetics, orthotics and supplies.
- The manual updates include:
  - Enhanced and clarified existing policies
  - Changes to the rental policy from ten months to thirteen months to align with Medicare
  - Updated service modifiers to align with Medicare DME fee schedule
  - Detailed clinical criteria and billing guidelines for each procedure code
- Provider trainings will be conducted within two to three weeks of the manual publication.

Ambulatory Surgery Centers Billing Update Effective July 1, 2026

- Effective on or after July 1, 2026, SCDHHS will update billing guidance for dental services billed to ASCs.
- SCDHHS will adopt the established HCPCS code to bill for dental services delivered in an ASC facility.
  - G0330: Facility services for dental rehabilitation procedure(s) performed on a patient who requires monitored anesthesia and use of an operating room.
  - Only one G0330 is allowed per date of service per patient, regardless of number of dental services performed in the facility.
  - Reimbursement for dental services in an ASC facility is an all-inclusive rate

Enhanced Liver Fibrosis Test
Effective July 1, 2026

- Effective on or after July 1, 2026, SCDHHS will add coverage of the Enhanced Liver Fibrosis test for adults and children 12 years old and older with at least one of the following diagnoses:
  - Type II diabetes mellitus
  - Chronic hepatitis B or chronic hepatitis C viral infection
  - Metabolic dysfunction-associated steatotic liver disease, including suspicion of advanced metabolic dysfunction-associated steatohepatitis
  - Alcoholic hepatitis
  - Elevated liver stiffness measurement to rule out compensated advanced chronic liver disease

Children's State Plan Services In-Home Care Workgroup

- SCDHHS intends to convene a children's in-home care services stakeholder workgroup to inform manual revisions to the following state plan services:
  - Children's personal care (CPC)
  - Children's private duty nursing (CPDN)
- Resulting policies will be included in a new South Carolina Medicaid State Plan Manual for children's in-home care services.
- The policies will apply to CPC and CPDN services authorized by South Carolina Healthy Connections Medicaid and by case managers of participants in Home and Community-based Services waivers operated by the Office of Intellectual and Developmental Disabilities (OIDD).
- The workgroup will meet over the course of several weeks and will include feedback from:
  - Service providers
  - Service recipients and their family members
  - Case management and care coordination agencies
  - SCDHHS and OIDD leadership


SOUTH CAROLINA
ANIMIS OPIBUSQUE PARATI
DUM SPIRO SPERO
SPES
1776