

Department of Health & Human Services
Centers for Medicare & Medicaid Services
61 Forsyth Street, SW, Suite 4T20
Atlanta, Georgia 30303-8909



February 8, 2011

Mr. Anthony Keck, Director
South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29202-8206

Re: South Carolina Title XIX State Plan Amendment, Transmittal #10-011

Dear Mr. Keck:

We have reviewed South Carolina's State Plan Amendment (SPA) 10-011, which was submitted to the Atlanta Regional Office on December 15, 2010. This SPA is a result of a same page issue associated with an earlier SPA, SC 10-009. This SPA was submitted to update the State Plan to reflect the coverage of speech and audiological services, it also updates the effective date of fee schedules.

Based on the information provided, we would like to inform you that South Carolina SPA 10-011 was approved on February 7, 2011. The effective date is November 1, 2010. The signed HCFA-179 and the approved plan pages are enclosed. If you have any questions regarding this amendment, please contact Tandra Hodges at (404) 562-7409.

Sincerely,

Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
SC 10-011

2. STATE
South Carolina

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE
11/01/2010

5. TYPE OF PLAN MATERIAL (Check One):
 NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION.
42 CFR 430.10

7. FEDERAL BUDGET IMPACT:
a. FFY 2011 \$ -0-
b. FFY 2012 \$ -0-

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 4.19-B, Pages 3b & 3c
Attachment 3.1-A, Pages 5a, 5a.1 and 5a.2 Limitation Supplement
Attachment 3.1-A, Page 4 Preprint

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (if applicable):
Attachment 4.19-B, Page 3b
Attachment 3.1-A, Pages 5a, 5a.1 and 5a.2 Limitation Supplement
Attachment 3.1-A, Page 4 Preprint

10. SUBJECT OF AMENDMENT:
Update State Plan to reflect the coverage of Speech and Audiological services, also update the effective date of fee schedules.

11. GOVERNOR'S REVIEW (Check One):
 GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Mrs. Forkner was designated by the Governor to
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL review and approve all State Plans

12. SIGNATURE OF STATE AGENCY OFFICIAL:
Emma Forkner

13. TYPED NAME:
Emma Forkner

14. TITLE:
Director

15. DATE SUBMITTED:
December 14, 2010

16. RETURN TO:
South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, SC 29202-8206

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:
12-15-10

18. DATE APPROVED:
02/07/11

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
11/01/10

20. SIGNATURE OF REGIONAL OFFICIAL:
Jackie Glaze

21. TYPED NAME:
Jackie Glaze

22. TITLE:
Associate Regional Administrator
Division of Medicaid & Children's Health Opns

23. REMARKS:

AMOUNT, DURATION, AND SCOPE OF MEDICAL
AND REMEDIAL CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

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9. Clinic services.

- Provided: No limitations With limitations*
- Not Provided

10. Dental Services

- Provided: No limitations With limitations*
- Not Provided

11. Physical therapy and related services.

a. Physical therapy.

- Provided: No limitations With limitations*
- Not Provided

b. Occupational therapy.

- Provided: No limitations With limitations*
- Not Provided

c. Services for individuals with speech, hearing, and language disorders (provided by or under supervision of a speech pathologist or audiologist).

- Provided: No limitations With limitations*
- Not Provided

*Description provided on attachment.

9. Clinic Services Cont.

Medicaid coverage is limited to services provided by licensed ESRD clinics meeting the Medicare requirements outlined in 42 CFR Part 250 and participating in Medicare as evidenced by a Medicare agreement.

- a. MENTAL HEALTH CLINICS: Medicaid coverage is limited to outpatient Mental Health Clinics meeting the standards as determined by the South Carolina Department of Mental Health and services as outlined in the South Carolina Mental Health and Quality Assurance Manuals.
- b. COUNTY HEALTH DEPARTMENT: Medicaid coverage includes all primary, preventive, therapeutic and rehabilitative services that are medically justified and rendered under the supervision of a physician, and a written physician protocol as described in the Physician and Clinical Services Manual and through contract with the Single State Agency.

These services include all primary diagnostic and treatment services, maternal and child health care, and family planning services as described in the Physician and Clinical Services Manual and elsewhere in the State Plan.

Coverage is limited to health clinics licensed by, or contracted with, or under the auspices of the South Carolina Department of Health and Environmental Control.

10. DENTAL SERVICES

Dental services for recipients under 21 include any medically necessary dental services.

Dental services for recipients 21 and over are limited to emergency services only as follow:

- a. Dental extractions to relieve acute severe pain;
- b. Dental extractions to control an acute infectious process;
- c. Dental extractions to repair traumatic injury and
- d. Full mouth dental extractions necessary due to a catastrophic medical condition such as cancer, organ transplant, severe heart disease, etc.
 - Full mouth dental extractions must be prior authorized.

Allowable emergency services are limited to those listed in the Dentistry Medicaid Provider Manual.

11.a PHYSICAL THERAPY

Physical Therapy Services:

Other physical therapy services not related to EPSDT must be provided in accordance with SCDHHS hospital, physician, and home health manuals.

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SUPERSEDES: SC 08-001

11.a PHYSICAL THERAPY Cont.

In accordance with 42 CFR 440.110(a), physical therapy means services prescribed by a Physician or other Licensed Practitioner of the Healing Arts (LPHA) within the scope of his or her practice under state law and provided to a beneficiary by or under the direction of a qualified Physical Therapist. It includes any necessary supplies and equipment.

Providers of Physical Therapy Services include:

- **Physical Therapist (PT).** In accordance with 42 CFR 440.110 (a)(2)(i)(ii), a qualified physical therapist is an individual who is currently licensed by the South Carolina Board of Physical Therapy Examiners. (i) A graduate of a program of physical therapy approved by both the Committee on Allied Health Education and Accreditation of the American Medical Association and the American Physical Therapy Association or its equivalent; and (ii) where applicable, licensed by the State.
- **Physical Therapist Assistant (PTA)** is an individual who is currently licensed by the South Carolina Board of Physical Therapy Examiners. A physical therapy assistant provides services under the direction of a qualified physical therapist.

11.b OCCUPATIONAL THERAPY

Occupational Therapy Services:

Other occupational therapy services not related to EPSDT must be provided in accordance with SCDHHS hospital, physician, and home health manuals.

In accordance with 42 CFR 440.110(b)(1), Occupational Therapy means services prescribed by a Physician or other Licensed Practitioner of the Healing Arts within the scope of his or her practice under state law and provided to a beneficiary by or under the direction of a qualified Occupational Therapist. Occupational Therapy Services are related to Self-Help Skills, Adaptive Behavior, Fine/Gross Motor, Visual, Sensory Motor, Postural, and Emotional Development that have been limited by a physical injury, illness, or other dysfunctional condition. Occupational Therapy involves the use of purposeful activity interventions and adaptations to enhance functional performance.

Providers of Occupational Therapy include:

- **Occupational Therapist (OT).** In accordance with 42 CFR 440.110 (b)(2)(i)(ii) A qualified occupational therapist is an individual who is - (i) Certified by the National Board of Certification for Occupational Therapy; or (ii) A graduate of a program in occupational therapy approved by the Committee on Allied Health Education and

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SUPERSEDES: 08-001

11.b OCCUPATIONAL THERAPY Cont.

Accreditation of the American Medical Association and engaged in the supplemental clinical experience required before certification by the National Board of Certification for Occupational Therapy.

- **Occupational Therapy Assistant (OTA)** is an individual who is currently licensed as a Certified Occupational Therapy Assistant (COTA/L or OTA) by the South Carolina Board of Occupational Therapy who works under the direction of a qualified occupational therapist pursuant to 42 CFR 440.110(b)(2)(i) or (ii).

11.c Speech-Language Pathology Services

Speech-Language Pathology Services: Other Speech-Language Pathology Services not related to EPSDT must be provided in accordance with SCDHHS hospital, physician and home health manuals. In accordance with 42 CFR 440.110(c)(1), Speech-Language Pathology Services include diagnostic, screening, preventive, or corrective services provided by or under the direction of a Speech-Language Pathologist, for which a patient is referred by a physician or other licensed practitioner of the healing arts within the scope of his or her practice under State law. It includes any necessary supplies and equipment.

Providers of Speech-Language Pathology Services include:

- **Speech-Language Pathologist** in accordance with 42 CFR 440.110(c)(2)(i)(ii)(iii) is an individual who meets one of the following conditions: (i) Has a Certificate of Clinical Competence from the American Speech and Hearing Association. (ii) Has completed the equivalent educational requirements and work experience necessary for the certificate. (iii) Has completed the academic program and is acquiring supervised work experience to qualify for the certificate.
- **Speech-Language Pathology Assistant** is an individual who is currently licensed by the South Carolina Board of Examiners in Speech-Language Pathology. The Speech-Language Pathology Assistant works under the direction of a qualified Speech-Language Pathologist pursuant to 42 CFR 440.110(c)(2)(i) and (ii).

Audiological Services: Other Audiological Services not related to EPSDT must be provided in accordance with SCDHHS home health manuals. In accordance with 42 CFR 440.110(c)(1), Audiological Services for individuals with hearing disorders means diagnostic, screening, preventive, or corrective services provided by or under the direction of an audiologist, for which a patient is referred by a physician or other licensed practitioner of the healing arts within the scope of his or her practice under state law. It includes any necessary supplies and equipment.

Providers of Audiology services include:

Audiologist: All Medicaid-qualified audiology providers (Licensed Audiologists) operating in the State of South Carolina adhere to the provider qualifications found in 42 CFR 440.110(c)(3)

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Effective January 1, 2004, there is a standard co-payment (42 CFR 447.55) of \$3.00 for dental services furnished when co-payment is applicable (42 CFR 447.53). Pregnant women, individuals participating in family planning services, infants and children up to age 19 will not be subject to co-pay.

11.a. Physical Therapy/Occupational Therapy:

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11.b. Payment will be according to an established fee schedule as based on the methodology outlined in the Physician Section 5, Attachment 419-B, Page 2a.2. The Physician Services fee schedule rates are effective for services provided on or after the implementation date as outlined in the Physician Section 5, Attachment 419-B, Page 2a.2. Medicaid Bulletins informing the providers of the fee schedule rate changes, as well as the fee schedule itself, are available on the agency's web site at <http://www.scdhhs.gov/ServiceProviders/FeeSchedules.asp>.

The SCDHHS does not publish a fee schedule for Hospitals and Home Health services. The payment methodology for Hospital Services can be found at 4.19-B page 1a.1 and Home Health can be found at 4.19-B page 3.1.

11.c. Speech/Language and Audiological Services:

Payment will be according to an established fee schedule as based on the methodology outlined in the Physician Section 5, Attachment 419-B, Page 2a.2. The Physician Services fee schedule rates are effective for services provided on or after the implementation date as outlined in the Physician Section 5, Attachment 419-B, Page 2a.2. Medicaid Bulletins informing the providers of the fee schedule rate changes, as well as the fee schedule itself, are available on the agency's web site at <http://www.scdhhs.gov/ServiceProviders/FeeSchedules.asp>.

The SCDHHS does not have a published fee schedule for Hospitals and Home Health services. The payment methodology for Hospital Services can be found at 4.19-B page 1a.1 and Home Health can be found at 4.19-B page 3.1.

12.a. Prescribed Drugs:

Medicaid pays for FDA approved prescribed drugs with stated exceptions described in Attachment 3.1-A, Item 12-A, Limitation Supplement.

1. Basis for Payment:

A. MULTIPLE SOURCE DRUGS

Reimbursement for covered multiple-source drugs in the Medicaid program shall be limited to the lowest of:

- (1) The Federally-mandated upper limit of payment or South Carolina Maximum Allowable Costs (SCMAC), for the drug less the current discount rate (10%), plus the current dispensing fee; or
- (2) The South Carolina Estimated Acquisition Cost (SCEAC) which is the average wholesale price (AWP) less the current discount rate (10%), plus the current dispensing fee; or
- (3) The provider's usual and customary charge to the public for the prescription as written for the brand actually dispensed.

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B. OTHER DRUGS

Reimbursement for covered drugs other than the multiple-source drugs with CMS upper limits shall not exceed the lower of:

- (1) The South Carolina Estimated Acquisition Cost (SCEAC), which is the average wholesale price (AWP), less the current discount rate (10%), plus the current dispensing fee; or
- (2) The provider's usual and customary charge to the public for the prescription as written for the brand actually dispensed.

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