

Medicaid Benefits and Health Programs Group

December 29, 2023

Robert M. Kerr, State Medicaid Director
Department of Health and Human Services
1801 Main Street
Columbia, SC 29201

Dear Director Kerr:

I am writing to inform you that the Centers for Medicare & Medicaid Services (CMS) has reviewed your state's Electronic Visit Verification (EVV) Compliance Survey submission and determined, based on the information you provided, that South Carolina does not meet the requirements specified in section 1903(l) of the Social Security Act, as added by Section 12006(a) of the 21st Century Cures Act, for home health care services rendered in some or all applicable authorities available within your state. The non-compliant programs include the following:

- Section 1905(a)(7) home health care services

The state reported to CMS that it is in the process of developing a communications plan to solicit feedback from the Home Health association, providers, beneficiaries and caregivers. The state anticipates achieving compliance by December 31, 2024.

Because your state has not demonstrated that it complies with all EVV requirements as specified by the statute, CMS must apply federal medical assistance percentage (FMAP) reductions to home health care service expenditures for the authorities and/or programs listed above, beginning in the first calendar quarter of 2024, consistent with the requirements of 1903(l)(1)(A) of the Act. For each quarter during which the state is not compliant, FMAP will be reduced by 0.25 percentage points for calendar quarters in 2024, 0.5 percentage points for calendar quarters in 2025; by 0.75 percentage points for calendar quarters in 2026; and by 1 percentage point for calendar quarters in 2027 and each year thereafter.

Because FMAP reductions are assigned each quarter, you are encouraged to review your survey information on a quarterly basis and update your response when you achieve compliance in any or all authorities to ensure FMAP reductions are lifted in a timely manner. Should the state deliver home health care services in any additional Medicaid authorities other than listed above at a point in the future the state is also responsible for updating its compliance survey. I have included the state's current EVV Compliance Survey submission with this letter. If you need assistance, please feel free to contact the CMS EVV mailbox at evv@cms.hhs.gov.

Sincerely,

Alissa Mooney DeBoy, Director
MBHPG