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State Territory Name: SOUTH CAROLINA

State Plan Amendment (SPA) #: 22-0016

This file contains the following documents in the order

listed:1) Approval Letter

2) CMS 179 Form/Summary Form (with 179-like data)

3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

April 4, 2023

Mr. Robert M. Kerr, Director
South Carolina Department of Health & Human Services
P.O. Box 8206
Columbia, South Carolina 29202-8206

Attention: Sheila Chavis

RE: South Carolina State Plan Amendment (SPA) 22-0016

Dear Mr. Kerr:

We have reviewed the proposed South Carolina State Plan Amendment (SPA) 22-0016, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 29, 2022. This SPA updates Early Intervention (EI) rates and adds a one time bonus.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 1, 2022. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Debi Benson at 312-886-0360 or Deborah.Benson@cms.hhs.gov.

Sincerely,



Todd McMillion
Director
Division of Reimbursement Review

Enclosures


TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER <u>2 2 — 0 0 1 6</u>	2. STATE <u>S C</u>
	3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE <p style="text-align: center;">July 1, 2022</p>	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR Part 440	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2022</u> \$ <u>458,500</u> b. FFY <u>2023</u> \$ <u>1,834,020</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B page, 2.a1 , Attachment 4.19b, page 2.a1.a	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-B page, 2.a1 Attachment 4.19-B, page 2.a1.a	

9. SUBJECT OF AMENDMENT

This SPA will update EI rates eff. July 1, 2022 based on a legislatively funded COLA increase and payment of a one time bonus.

10. GOVERNOR'S REVIEW (Check One)

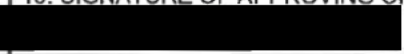
GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO South Carolina Department of Health and Human Services Post Office Box 8206 Columbia, SC 29202-8206
12. TYPED NAME Robert M. Kerr	
13. TITLE Director	
14. DATE SUBMITTED September 28, 2022	

FOR CMS USE ONLY

16. DATE RECEIVED September 29, 2022	17. DATE APPROVED April 4, 2023
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL July 1, 2022	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL Todd McMillion	21. TITLE OF APPROVING OFFICIAL Director, Division of Reimbursement Review

22. REMARKS

State authorized pen and ink change for box 7 and 8.

- a) If the service has a Medicare established reimbursement or a Resource Based Relative Value Scale (RBRVS) value, the reimbursement is calculated based on the established methodology used in Section 5 (Physician Services) on Page 2a.2.
- b) If neither a Medicare rate nor an RBRVS rate exists and the procedure is covered by the State of South Carolina employee Health plan, a percentage of this rate (not to exceed 100%) is used to reimburse for the service.
- c) If neither a Medicare rate nor an RBRVS rate exists and the procedure is not covered by the State of South Carolina employee Health plan, we would negotiate a percentage of charges with the provider to cover this procedure.

Early Intervention/Family Training Services and Sign Language Services

Early Intervention services are therapeutic, training, and support services that facilitate the developmental progress of children between the ages of birth to six years old. Early Intervention services include developmental assessments, treatment planning, home visits, and supports to enhance the development of the child and support his or her family in the care of the child. In addition to Sign Language or Oral Interpreter services for children with a developmental delay and/or disability, Family Training is also considered an Early Intervention service. The list of licensed practitioners of the Healing Arts that provides Family Training services are reflected within the provider manual.

Effective for services provided on or after October 1, 2012, state government owned providers of Family Training services and Sign Language services will be reimbursed a prospective payment rate based upon its most recently filed fiscal year (i.e. FY 2010 for the SC Department of Disabilities and Special Needs (SCDDSN) or FY 2011 for the SC School for the Deaf and the Blind (SCSDB)) Medicaid cost report. In order to trend the base year 15 minute unit rate to the payment period beginning October 1, 2012, the midpoint to midpoint methodology was used and applying either the Medicare Economic Index for calendar year 2010 (1.2%) (for SCDDSN) or CY 2011 (1.6%) (for SCSDB). Effective for Early Intervention/Family Training services provided on or after July 1, 2022, the current reimbursement rates per 15 minute unit will be increased to account for the legislatively directed COLA increase of 3% and associated increases related to fringe benefit cost.

Private and Governmental Providers - Birth up to Age 3 - \$24.65

SC School for Deaf and Blind - Ages 3 through 6 - \$29.01

SC Department of Disabilities and Special Needs - Ages 3 through 6 - \$26.52

In addition to the July 1, 2022 rate updates, one-time bonus payments and associated fringe benefit cost will be reimbursed to qualifying providers of EI services provided to SCDDSN and SCSDB populations via a gross adjustment for each full time FTE based upon SFY 2023 FTE reports.

Due to the uniqueness of this one-time bonus to be paid to all full-time equivalents (FTEs) as directed by the South Carolina General Assembly, the Medicaid Agency will first determine the number of full time FTEs from the provider submitted state fiscal year end 2023 FTE reports. To account for the assessment of employer FICA (7.65%) for each eligible employee, this percentage will be applied to the \$1,500 bonus so that each Medicaid EI service provider will be reimbursed \$1,615 per individual full time FTE. These payments will not be paid on a "per claim basis" but via a "gross adjustment" payment process to each Medicaid EI service provider.

In order for an individual to qualify and receive the \$1,500 bonus payment, the following criteria must be met:

- Employee must be in a full time equivalent (FTE) position;
- Employee must have had continuous state service from Jan. 1, 2022 through June 30, 2022. An employee who may have been in a leave without pay (LWOP) status during the period between Jan. 1, 2022 through June 30, 2022 is still considered to have had continuous state service;

- Employee must be employed at the time the bonus is paid; and,
- Employees in LWOP status, who are otherwise eligible to receive the bonus, will not receive the bonus payment until they return to active payroll status.

Medicaid reimbursement rates for Family Training services and Sign Language services are established utilizing Medicare reasonable cost principles, as well as criteria outlined under 45 CFR Part 75 and 42 CFR Part 413. Costs reimbursable in the rates for Family Training services and Sign Language Services include but are not limited to:

1. Personnel costs- the salary and fringe benefit costs associated with direct line staff, meeting credentialing requirements, providing the services in the community mental health centers,
2. Clinical supervision- the salary and fringe benefit cost associated with the Clinical supervision of these services,
3. Supplies- material and supply costs that are required for direct services to patients,
4. Training and travel- training and associated travel expenses that directly relate to maintaining certification, qualifications, or licensure required to render contracted mental health services but not to obtain their initial certification,
5. Indirect Costs- as determined by the application of the provider's federally approved indirect cost rate, federally approved indirect cost plan, or step down allocation as applicable.