

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR**

**ACTION REFERRAL**

TO  <i>Johnson/Hutto</i>	DATE  <i>2-27-13</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER  <i>000264</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR  	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>3-11-13</i>
	FOIA DATE DUE _____
	<input type="checkbox"/> Necessary Action

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1.			
2.			
3.			
4.			

**Brenda James**

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**From:** Brandy Gilbert  
**Sent:** Monday, February 25, 2013 9:52 AM  
**To:** Lauren Young; Brenda James; Lisa Jackson  
**Subject:** FW: South Carolina

Brenda, Please log this FOIA request. I have already copied Lisa Jackson on it so that she can go ahead and start compiling answers to the questions.

Thanks,  
Brandy

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**From:** Dawn K. Snyder, NHA [mailto:dawn.snyder@tlgconsultants.com]  
**Sent:** Monday, February 25, 2013 9:48 AM  
**To:** Brandy Gilbert  
**Cc:** 'Steve Lovell'  
**Subject:** South Carolina

Our firm is conducting a national survey on Medicaid Nursing Home Reimbursement and other related issues. We would appreciate your feedback within the next week on the items below which include the information we have on file from our last survey in 2011 if a response was provided. Please note any changes and provide the most recent average Medicaid Nursing Home rate and indicate the period or point in time it reflects.

**NURSING HOME MEDICAID REIMBURSEMENT:**

**Rates**

1. Please provide the average Medicaid Reimbursement rate.

**\$155.12**

2. Effective Date of Average Medicaid Reimbursement Rate.

**10/1/2010**

3. PAYMENT SYSTEM (Prospective, Historical, Other)

**Prospective**

4. FREQUENCY OF RATE ADJUSTMENTS ( Survey)

**Annually- however funding must be provided by the general assembly for re-basing to occur**

5. Basis of Rate Adjustments

**10/1 rates are based on the cost report filed for the period ending 6/30 or 9/30 of prior year (10/1/09 based on 6/30/08 or 9/30/08 cost reports). An inflation factor is applied to the sum of capped and uncapped cost centers to trend to the payment per 10/1 to 9/30.**

6. Are cost reports used to adjust rates? If so, what cost reporting years are the rates based on?

**RECEIVED**

**FEB 27 2013**

Department of Health & Human Services  
**OFFICE OF THE DIRECTOR**

Medicaid rates effective 10/1/2010 are based on the cost report filed for the period ending 6/30/09 or 9/30/09.

7. What components of the rate are broken out?

**Capped Cost Centers: General Services(Nursing, Activity, and Social Services), Dietary, Laundry, Hskp, and Maintenance, Administration, Medical Records and Services** Non capped cost centers Utilities, Special Services (Therapies) Medical Supplies & Oxygen, Taxes, Insurance, & Licenses, Legal Capit costs are subject to a 96% minimum occupancy requirement. However, in the event that the county occupancy of nursing facilities located within the same county is < than 90%, the SCDHHS will waive the 96% minimum occupancy requirement for rate setting purposes and use the > of the facility's actual occupancy or the county occupancy, but no less than 85%.

8. WHAT ANCILLARY SERVICES ARE SEPARATELY BILLABLE?

Ancillary costs are included in the Medicaid rate. However, for dual eligible recipients' costs which are reimbursed on the overall routine per diem rate by Medicare will be removed from allowable costs for Medicaid rate setting purposes.

9. Capital Reimb. Methodology/ Capital Limits?

**Fair-Rental & Historical Cost**

10. Does return on equity impact the rate in any way? (e.g. separate rate component, incorporated in capital rate computation?)

No

11. - Are there capital limits(per bed, square foot, patient day)? What are the capital limits?

Effective 10/1/10 is \$48,564 per bed. For bed on line prior to June 30, 1989 capotal reimbursement is limited to the nursing facility's cost of capital ar per diem amounts plus \$3.99 per patient day

**Certificate of Need**

1. Is there a Certificate of Need requirement or other limitation on new nursing facility beds?

Need to contact Beverly Brandt @ DHEC 803-545-4200

2-Does limitation apply to replacement facilities as well?

Need to contact Beverly Brandt @ DHEC 803-545-4200

3- Is there a bed moratorium?

Need to contact Beverly Brandt @ DHEC 803-545-4200

**BED TAX**

1- Is there a bed tax? What is it? What is the net impact on cost/revenues?

No

2-Is bed tax assessed only on inpt. Days or total days (leave and inpt.)

N/A

3. 1= States with no prohibition 2= Prohibition against separate billing; No prohibition against increasing rates. 3= Prohibition against separate billing and not permitted to increase rates. 4= Quasi (In some instances rates can be increased; In some instances, rates cannot be increased)

**Not applicable**

4. Are there any regulations or laws prohibiting NH from passing on Bed Tax to Private Pay patients on their bill?

**Not applicable**

**OTHER:**

1. Pay For Performance Incentives?

2. Any anticipated changes regarding bed buy back programs and Medicaid coverage of personal care or assisted living service

3. Whether the nursing facility itself can be the licensed hospice provider for Medicaid hospice services, or whether a third party to be the licensed hospice provider.

4. Does the state require Medicaid skilled nursing facilities to participate in Medicare?

5. If no, then once a facility does begin Medicare participation, is it permitted to withdraw in the future and retain its Medicaid certification? Does the answer differ in a CHOW situation?

6.-Obtain the state contact with whom we would discuss the necessary filings in the event of an anticipated CHOW.

7. Method of and any limitations on the reimbursement for hospital leave days and therapeutic or home leave days

8-Does the state Medicaid Program reimburse the SNF provider for Medicare Part B deductibles and coinsurance relating to the services? If so, is the reimbursement through cross-over from Medicare to Medicaid or must manual claims be remitted?

9-If number 1 is negative, then does the state Medicaid Program permit a Medicaid resident's monthly liability or cost sharing to be reduced by any Medicare Part B deductibles or coinsurance relating to SNF provided services?

10. For purposes of rate setting, is an inflation factor used to inflate base year or other costs (e.g., Pennsylvania does use an inflation factor)? If so, is the inflation factor based upon a mid-point of one year to the mid-point of some future year (essentially, consider full year's inflation in each year)?

#### 11-Location of Medicaid Nursing Home Cost Reporting Forms

*Dawn K. Snyder, NHA*

*Director*

*The Lancaster Group, LLC*

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TO:

FROM:

SUBJECT: Cost of Processing FOIA Request #

The South Carolina Department of Health and Human Services has received and processed your FOIA request. The cost for processing this information is as follows:

Staff processing time at \$10.00 per hour	_____ Hours	\$_____
Pages copied at \$.10 per page	_____ Pages	\$_____
Pages faxed at \$.20 per page	_____ Pages	\$_____
Shipping and Handling Costs		\$_____
Other costs associated with the FOIA request:	_____	\$_____
<b>Total Amount Due SCDHHS:</b>		<b>\$_____</b>

Please remit the above amount to the following address:

**Bureau of Fiscal Affairs**  
South Carolina Department of Health and Human Services  
Post Office Box 8297  
Columbia, South Carolina 29202-8297

Please contact \_\_\_\_\_ should you have any questions.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date: