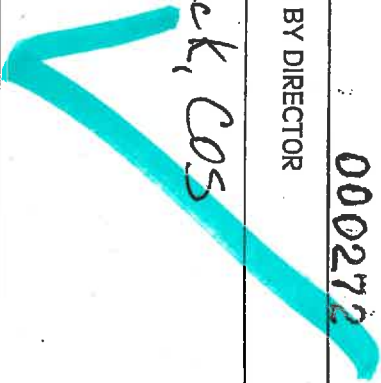


DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

TO	DATE
Singleton/Chavis	3-5-13

DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER	000272	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____	
2. DATE SIGNED BY DIRECTOR	C. McKee, COS	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____	
		<input type="checkbox"/> FOIA DATE DUE _____	
		<input checked="" 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.			

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Atlanta Regional Office  
61 Forsyth Street, Suite 4120  
Atlanta, Georgia 30303



**DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS**

February 28, 2013

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

**RECEIVED**  
MAR 05 2013  
Department of Health & Human Services  
OFFICE OF THE DIRECTOR

Attention: Sheila Chavis

RE: South Carolina (SC) Title XIX State Plan Amendment (SPA), Transmittal # SC 12-022

Dear Mr. Keck:

We have reviewed the proposed South Carolina State Plan Amendment 12-022, which was submitted to the Atlanta Regional Office on December 28, 2012. This amendment changes the language under the enrollment process from an algorithm that ensures an equitable distribution of beneficiaries to a quality weighted assignment algorithm for enrollments that begin on or after January 1, 2013.

Based on the information provided, the Medicaid State Plan Amendment SC 12-022 was approved on February 28, 2013. The effective date of this amendment is January 1, 2013. We are enclosing the approved HCF A-179 and the plan pages.

If you have any additional questions or need further assistance, please contact Maria Drake at (404) 562-3697 or [Maria.Drake@cms.hhs.gov](mailto:Maria.Drake@cms.hhs.gov).

Sincerely,

*Jackie Glaze*

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

Enclosures

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

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:  
SC 12-022

2. STATE  
South Carolina

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

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
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:

7. FEDERAL BUDGET IMPACT: (0)

The Social Security Act § 1932(e)(4)  
42 CFR 438.50

a. FFY 2013 \$0  
b. FFY 2014 \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (*If applicable*):

Attachment 3.1-F, Pages 10 & 11

Attachment 3.1-F, Pages 10 & 11

10. SUBJECT OF AMENDMENT:  
Quality Weighted Algorithm

11. GOVERNOR'S REVIEW (*Check One*):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER AS SPECIFIED:

Mr. Keck was designated by the Governor to  
review and approve all state plans.

12. SIGNATURE OF STATE AGENCY OFFICIAL:

16. RETURN TO:

13. TYPED NAME:

Anthony E. Keck

South Carolina Department of Health and Human Services  
P.O. Box 8206  
Columbia, South Carolina 29202-8206

14. TITLE:

Director

15. DATE SUBMITTED:

December 20, 2012

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

12/28/12

18. DATE APPROVED: 02-28-13

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:

10/01/12

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Jackie Glaze

22. TITLE: Associate Regional Administrator  
Division of Medicaid & Children Health Ops

23. REMARKS:

State:

South Carolina

Citation

Condition or Requirement

- 
- i. the existing provider-recipient relationship (as defined in H.1.i).
  - ii. the relationship with providers that have traditionally served Medicaid recipients (as defined in H.2.ii).
  - iii. the equitable distribution of Medicaid recipients among qualified MCOs and PCCMs available to enroll them, (excluding those that are subject to intermediate sanction described in 42 CFR 438.702(a)(4)); and disenrollment for cause in accordance with 42 CFR 438.56 (d)(2). *(Example: No auto-assignments will be made if MCO meets a certain percentage of capacity.)*

The State utilizes an Enrollment Broker to provide enrollment assistance in an unbiased, informative manner. The Enrollment Broker assists the beneficiary's plan selection by matching the Plan's providers, services and locations with the beneficiary's needs and preferences by discussing participating providers and special services offered by the various plans. The Enrollment Package that is issued to each eligible beneficiary provides directions that enable them to make an informed choice regarding their managed care plan and provider, preserving the beneficiary's current provider relationship if desired. The Enrollment Broker also offers each beneficiary, including non-English speaking beneficiaries, an opportunity to personally visit with an Enrollment Counselor within regions, or by appointment in each county, to complete the Enrollment process or provide other assistance. The Enrollment Broker also provides training opportunities to the provider community that emphasizes the opportunities managed care offers to their patients. Educational campaigns emphasizing the benefits of a medical home are also directed to the beneficiaries. When qualified beneficiaries fail to select a managed care health plan, the Enrollment Broker will assign them to a plan. The assignment of beneficiaries to a health plan incorporates algorithms that ensure a quality weighed distribution of beneficiaries to each plan eligible to receive new members. The assignment process includes logic that assures the beneficiary of a secondary choice, should the assigned plan not meet their needs.

1932(a)(4)

3. As part of the state's discussion on the default enrollment

42 CFR 438.50 process, include

the following information:

- i. The state will ✓/will not      use a lock-in for managed care.
- ii. The time frame for recipients to choose a health plan before being auto-assigned will be 30 days.

TN No. SC 12-022

Supersedes

TN No.: SC 10-004Approval Date: 02-28-13Effective Date: 01/01/13

Citation	Condition or Requirement
iii.	Describe the state's process for notifying Medicaid recipients of their auto-assignment. <i>(Example: state generated correspondence.)</i>
iv.	<p>The State will use Enrollment Broker generated correspondence that has been approved by SCDHHS to notify Medicaid beneficiaries of their auto-assignment.</p> <p>Describe the state's process for notifying the Medicaid recipients who are auto-assigned of their right to disenroll without cause during the first 90 days of their enrollment. <i>(Examples: state generated correspondence, HMO enrollment packets etc.)</i></p> <p>The State will use Enrollment Broker generated correspondence that has been approved by SCDHHS to notify the Medicaid beneficiaries of their disenrollment rights.</p>
v.	<p>Describe the default assignment algorithm used for auto-assignment. <i>(Examples: ratio of plans in a geographic service area to potential enrollees, usage of quality indicators.)</i></p> <p>The default assignment of beneficiaries to managed care health plans is performed by the Enrollment Broker on a monthly basis utilizing a customized assignment algorithm for the State. The process links beneficiaries with available health plans in their geographical area and ensures that there is a choice of health plans where appropriate, should the beneficiary request a transfer. The assignment process also ensures that beneficiaries are assigned to an MCO or PCCM in their geographic region that is accepting new members. The distribution of these beneficiaries to the health plans occurs through the use of a quality weighted assignment of beneficiaries across all of the available plans in the geographic area. The procedure maintains family relationships whenever possible to minimize confusion.</p>
vi.	<p>Describe how the state will monitor any changes in the rate of default assignment. <i>(Example: usage of the Medical Management Information System (MMIS), monthly reports generated by the enrollment broker)</i></p> <p>The State will monitor changes in the rate of default assignment through reports generated by the enrollment broker. On a monthly basis the Contractor shall submit a report describing the Method of Plan Enrollment, addressing Enrollment/Disenrollment Trends by Plan.</p>