

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

**ACTION REFERRAL**

<b>TO</b> <i>Wells</i>	<b>DATE</b> <i>12-21-07</i>
---------------------------	--------------------------------

<b>DIRECTOR'S USE ONLY</b>	<b>ACTION REQUESTED</b>
1. LOG NUMBER <b>000302</b>	<input type="checkbox"/> I Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Ms. Farkner, Depo</i>	<input type="checkbox"/> I Prepare reply for appropriate signature DATE DUE _____
	<input type="checkbox"/> I FOIA DATE DUE _____
	<input checked="" type="checkbox"/> Necessary Action

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

Department of Health & Human Services  
Centers for Medicare & Medicaid Services  
61 Forsyth St., Suite 4120  
Atlanta, Georgia 30303-8909



December 17, 2007

*log: WWS  
c: EF, bgs*

**RECEIVED**

DEC 21 2007

*wc. out*

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

Mr. Robert M. Kerr, Director  
Department of Health and Human Services  
Post Office Box 8206  
Columbia, South Carolina 29202-8206

Re: South Carolina Title XIX State Plan Amendment, Transmittal #06-014

Dear Mr. Kerr:

We have reviewed South Carolina's State Plan Amendment (SPA) 06-014 which was received in the Atlanta Regional Office on December 15, 2006. This amendment proposes to update the Home Health Plan Section to include Medical Social Services as a covered service.

Based on the information provided, we are pleased to inform you that South Carolina SPA 06-014 was approved on December 11, 2007. The effective date is October 1, 2006.

Copies of the signed CMS-179 form and approved plan pages are enclosed. If you have any questions regarding this amendment, please contact Elaine Elmore at (404) 562-7408.

Sincerely,

*Mugh Z. Wilberts*

*JG*  
Jay Gavens  
Acting Associate Regional Administrator  
Division of Medicaid & Children's Health

Enclosures

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

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

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

1. TRANSMITTAL NUMBER:  
SC 06-014

2. STATE  
South Carolina

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

4. PROPOSED EFFECTIVE DATE  
October 1, 2006

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:  
a. FPY 2006-2007 \$ 155,012  
b. FPY 2007-2008 \$ 155,012

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

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

Attachment 3.1-A, Limitation Supplement, Pages 4, 4a, 4b & 5;  
Attachment 4.19-B, Page 3

Attachment 3.1-A, Limitation Supplement, Pages 4a & 5;  
Attachment 4.19-B, Page 3

10. SUBJECT OF AMENDMENT:

To amend the Home Health State Plan section to include medical social services as a covered service.

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. Kerr was designated by the Governor to  
review and approve all State Plans.

12. SIGNATURE OF STATE AGENCY OFFICIAL:

16. RETURN TO:

//S//

13. TYPED NAME:

Robert M. Kerr

14. TITLE:

Director

15. DATE SUBMITTED:

December 13, 2006

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

12/12/2006

18. DATE APPROVED:

12/12/07

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

10/01/2006

20. SIGNATURE OF REGIONAL OFFICIAL:

*Hugh A. Weber for Jay Gavens*

21. TYPED NAME:

Jay Gavens

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

23. REMARKS:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH CARE FINANCING ADMINISTRATION

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

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

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

1. TRANSMITTAL NUMBER: SC 06-014	2. STATE South Carolina
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
4. PROPOSED EFFECTIVE DATE October 1, 2006	

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

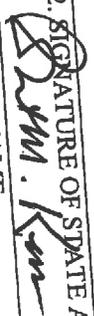
NEW STATE PLAN  AMENDMENT TO BE CONSIDERED AS NEW PLAN (Separate Transmittal for each amendment)  
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT:

6. FEDERAL STATUTE/REGULATION CITATION: 7. FEDERAL BUDGET IMPACT: \$155,012  
a. FFY 2006-2007 \$155,012  
b. FFY 2007-2008

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  
Attachment 3.1-A, Page 3a; Attachment 3.1-A, Page 3a; Attachment 3.1-A, Limitation Supplement, Pages 4a & 5; Attachment 4.19-B, Page 3 Attachment 4.19-B, Page 3

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 GOVERNOR'S OFFICE REPORTED NO COMMENT  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL  
 OTHER, AS SPECIFIED: Mr. Kerr was designated by the Governor to review and approve all State Plans.

12. SIGNATURE OF STATE AGENCY OFFICIAL: 16. RETURN TO:  
 South Carolina Department of Health and Human Services  
 Post Office Box 8206  
 Columbia, South Carolina 29202-8206

13. TYPED NAME: Robert M. Kerr

14. TITLE: Director

15. DATE SUBMITTED: December 13, 2006

17. DATE RECEIVED: 18. DATE APPROVED:  
 FOR REGIONAL OFFICE USE ONLY  
 PLAN APPROVED - ONE COPY ATTACHED  
 20. SIGNATURE OF REGIONAL OFFICIAL:

19. EFFECTIVE DATE OF APPROVED MATERIAL: 22. TITLE:

21. TYPED NAME:

23. REMARKS:

Reimbursement for laboratory (pathology) services performed by individual practitioners is calculated as specified in 5.

End State Renal Disease - Reimbursement for ESRD treatments, either home or in center, will be an all inclusive fee based on the statewide average of the composite rates established by Medicare. The reimbursement will be an all inclusive fee to include the purchase or rental, installation and maintenance of all equipment.

6.a Podiatrists' Services:

Effective January 1, 2004, there is a standard co-payment of \$1.00 per office visit provided (42 CFR 447.55) when co-payment is applicable (42 CFR 447.53). Reimbursement is calculated in the same manner as for physicians' services. Refer to 5.

6.b Optometrists' Services (Vision Care Services):

Effective January 1, 2004, there is a standard co-payment of \$1.00 per office visit provided (42 CFR 447.55) when co-payment is applicable (42 CFR 447.53). Payment will be according to an established fee schedule for all services not provided through the sole source contract. Effective February 1, 1982.

6.c Chiropractor's Services:

Effective January 1, 2004, there is a standard co-payment of \$1.00 per office visit provided (42 CFR 447.55) when co-payment is applicable (42 CFR 447.53). Reimbursement is calculated in the same manner as for physicians' services. Refer to 5.

6.d Certified Registered Nurse Anesthetist(CRNA): CRNAs under the medical direction of a surgeon will be reimbursed at 90 percent of the Anesthesiologist reimbursement rate. CRNAs under the medical direction of an Anesthesiologist will receive 50 percent of the reimbursement rate. Refer to 5 Physician Services.

Nurse Practitioner: Effective January 1, 2004, there is a standard co-payment of \$2.00 per office visit when co-payment is applicable. Reimbursement is calculated at 80 percent of the rate for Physician Services. Refer to 5.

Psychologists: Psychological services are reimbursed at an established statewide fee schedule as based on the Methodology outlined in the Physician Section 5, Attachment 4.19-B, Page 2a. All requirements identified under CFR 447.200ff and 447.300ff shall be met.

Licensed Midwives' Services: Effective January 1, 2004, there is a standard co-payment of \$2.00 per office visit when co-payment is applicable. Reimbursement is calculated at 65% of the rate for physician services. Refer to 5a and 5b.

7. Home Health Services:

Nursing Services, Home Health Aide Services, Physical Therapy, Occupational Therapy, Speech Pathology, and Audiology are provided and reimbursed based on the lesser of allowable Medicare costs, charges, or the Medicare cost limits. Effective October 1, 2006, Medical Social Services are reimbursed in accordance with the methodology outlined above. At the end of each Home Health Agency's fiscal year end, the Medicare cost report (CMS-1728) must be submitted which is used for the purpose of completing a cost settlement based on the lesser of allowable Medicare costs, charges, or the Medicare cost limits.

SC No: 06-014  
Supersedes  
TN No: 06-001

Approval Date: 12/12/07

Effective Date: 10/01/2006

6a. **PODIATRIST.** Podiatry services must conform to the guidelines and limitations as specified under Musculoskeletal System/Podiatry Services Section of the Professional Services Manual. Podiatry providers are licensed practitioners and provide services within the scope of practice as defined under State law and in accordance with the requirements of CFR 440.60(a)

6b. **OPTOMETRIST.** Vision Care services are those which are reasonable and necessary for the diagnosis and treatment of conditions of the visual system and the provision of lenses and/or frames as applicable. Optometry providers are licensed practitioners and provide services within the scope of practice as defined under State law and in accordance with the requirements of CFR 440.60(a)

**Covered Services:**

Recipients 21 years of age and over, are limited to the following services:

1. Eye examinations.
2. Glasses or lenses are supplied for patients requiring cataract surgery, detached retina surgery, corneal surgery, or glaucoma surgery. Prior authorization is required for post surgical lenses for recipients age 21 and over.

**B. Services for EPSDT recipients are as follows:**

1. Eye examinations.
2. Glasses, if prior approved by the State Health and Human Services Finance Commission.
3. One original and one replacement or repair of the original pair of glasses per fiscal year, if prior approved by the South Carolina State Department of Health and Human Services.

**Non-Covered Services:**

1. Visual Therapy or training.
2. Tinted lenses.
3. Training lenses.
4. Lenses covered as a separate service (except replacements).
5. Protective lenses.
6. Oversize lenses.
7. Lenses for unaided VA less than 20/30 + or -.50 sphere.
8. Plastic lenses for prescription less than + or -4 diopters.
9. No allowable benefits for optometric hypnosis, broken appointments, or charges for special reports.

6c. **CHIROPRACTORS:** Chiropractic services are those which are limited to manual manipulation of the spine for the purpose of correcting subluxation demonstrated on x-ray. For the purpose of this program, subluxation means an incomplete dislocation, off-centering, misalignment, fixation or abnormal spacing of the vertebrae anatomically that is demonstrable on a radiographic film (x-ray).

Chiropractic services must conform to policies, guidelines and limitations as specified in the Chiropractic Services Manual. Chiropractic providers are licensed practitioners and provide services within the scope of practice as defined under State law and in accordance with the requirements of CFR 440.60(a)

**6.d Other Medical Care or Remedial Care Provided by Other Practitioners**

Certified Registered Nurse Anesthetist/AA - Certified Registered Nurse Anesthetist/AA are authorized to perform anesthesia services only. The scope of their practice is limited to that which is allowed under State Law. A copy of their certification must be on file at the practice site.

Nurse Practitioner - Nurse Practitioners are authorized to perform certain services pertaining to their specific approved written protocols. The scope of their practice is limited to that which is allowed under State Law and as documented in written protocol between the nurse practitioners and their physician preceptors. The written protocol must be submitted to SHHSFC prior to enrollment.

Psychologists - Psychological services are covered when prescribed by an EPSDT screen and prior authorization process. Services covered include psychological testing, evaluation and therapy. Reimbursements to practitioners are restricted to psychologists that hold doctoral level diploma, and have a valid state license as a Clinical, psychologist approved by the State Board of Examiners in Psychology.

Psychological Services rendered in a school setting are limited to psychological testing and evaluation. Reimbursements are restricted to a School Psychologist who is currently certified by the State Department of Education as a school psychologist I, II, or III. A School Psychologist II or III must supervise psychological services rendered by a School Psychologist I.

Other psychological services not related to EPSDT are limited to providers employed by certified and enrolled Medicaid providers with restrictions as prescribed in the hospital, physicians, and clinic sections of the plan.

Licensed Midwife - Licensed midwives are authorized to perform midwifery services only. Their scope of practice is limited to that which is allowed under State Law as specified in the South Carolina State Register Volume 17, Issue 7, Regulation 61-24. In addition, a signed statement from a physician, credentialled in obstetrics, who has agreed to provide medical emergency backup must be provided with each initial prenatal claim.

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SC No: 06-014  
Supersedes  
TN No: 94-014

Approval Date: 12/12/07

Effective Date: 10/01/06

**Social Work Services to Enhance the Effectiveness of Home Health Services:**

Under the direction of a plan of care which has been signed by a physician, qualified medical social services may be provided to Medicaid home health recipients under the direct care of a Medicare certified home health agency contracted with the State Medicaid agency.

Specific services necessitate the skills and capabilities of a qualified medical social worker to be performed safely and effectively. Medical social service functions must be provided by a social worker with a graduate degree from an accredited school of social work. All practitioners must be licensed or certified in accordance with federal and state requirements; be supervised by the clinical director of the home health agency; meet all requirements found in CFR440.60, and be employed by a Medicare certified home health agency that is contracted with SCDHHS to provide services.

Services provided must be identified during an assessment process of the social, emotional, and environmental issues and focused on the medical condition or the rate of recovery of the patient. The assessment must also include the relationship of the patient's medical and nursing requirements to the patient's home situation, financial resources and availability of community resources.

The medical social services staff identifies and obtains referrals to community resources on behalf of the patient; advocates through consultation, liaison, and interdisciplinary collaboration for the services for the patient, whose risk status may interfere with the achievement of the home health goals; and interface with the resolution of identified patient problems that cannot be resolved.

A continuous evaluation process is implemented to assess the achievement of specified goals and to address the impact on the patient's illness, need for care, response to treatment, and adjustment to care.

Medical social services furnished to the patient's family member or caregiver on a short-term basis when the home health agency can demonstrate that a brief intervention (that is two or three visits) by a medical social worker is necessary to remove a clean and direct impediment to the effective treatment of the patient's medical condition or to his or her rate of recovery. To be considered "clear and direct," the behavior or actions of the family member must plainly obstruct, contravene, or prevent the patient's medical treatment or rate of recovery. Medical social services to address general problems that do not clearly and directly impede treatment or recovery as well as long-term social services furnished to family members, such as ongoing alcohol counseling, are not covered.

7. HOME HEALTH CARE SERVICES - Home Health agency visits are limited to a total of seventy-five (75) per recipient per fiscal year as provided in items 7.a through 7.d.

SC No: 06-014  
Supersedes  
TN No: 94-014

Approval Date: 12/12/07

Effective Date: 10/01/06

NON-COVERED SERVICES:

Full time nursing care  
Drug and Biologicals  
Meals delivered to the home  
Homemaker services  
Care primarily for treatment of mental disease  
Separate medical rehabilitation facilities

- a. NURSING SERVICES: Reimbursement will not be made for nurses assisting with activities of daily living when such services could be performed by a home health aide.
  - b. HOME HEALTH AIDE SERVICES: These services must be prescribed by a physician in accordance with a plan of care supervised by a registered nurse.
  - c. MEDICAL SUPPLIES AND EQUIPMENT: Supplies, equipment, and appliances are limited to those listed in the Durable Medical Equipment Services Provider Manual. These services require prior approval from the State Office.
  - d. PHYSICAL THERAPY, OCCUPATIONAL THERAPY, SPEECH PATHOLOGY AND AUDIOLOGY SERVICES. As provided by a Home Health Agency. Physical therapy, occupational therapy and speech pathology are provided in accordance with provider qualification requirements found in 42 CFR 440.110. All Medicaid qualified audiology providers operating in the State of South Carolina adhere to the provider qualifications found in 42 CFR 440.110(c).
9. CLINIC SERVICES:
- Clinic services are limited to outpatient ambulatory centers that provide medical services which include all primary, preventive, therapeutic, and rehabilitative services. Covered Clinic services include:
- a. AMBULATORY SURGICAL CENTERS: Medical coverage is limited to medically necessary services provided by certified and licensed ambulatory surgical centers that meet the conditions for Medicare coverage as established in 42 CFR, Part 416, Subpart B, (Conditions for coverage), and as evidenced by an agreement with HCFA,  
  
The surgical procedures covered are limited to those described under 42 CFR Part 416, Subpart B, (Scope of Benefits), and those procedures published in the South Carolina Medicaid Physician and Clinical Services Manual, with appropriate revisions and updates.
  - b. END STAGE RENAL DISEASE CLINICS: Medicaid coverage includes all medically necessary treatments and services for incenter or home dialysis as described in the South Carolina Medicaid Physician and Clinical Services Manual.

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

**ACTION REFERRAL**

<b>TO</b> <i>Wells</i>	<b>DATE</b> <i>12-21-07</i>
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<b>DIRECTOR'S USE ONLY</b>	<b>ACTION REQUESTED</b>
1. LOG NUMBER <b>000302</b>	<input type="checkbox"/> I Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Ms. Forgher, Dupo</i> <i>W/W</i>	<input type="checkbox"/> I Prepare reply for appropriate signature DATE DUE _____
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	<input checked="" type="checkbox"/> Necessary Action

<b>APPROVALS</b> <small>(Only when prepared for director's signature)</small>	<b>APPROVE</b>	<b>* DISAPPROVE</b> <small>(Note reason for disapproval and return to preparer.)</small>	<b>COMMENT</b>
1.			
2.			
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