DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO	DATE
Wells	3-9-11

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER 10396	[ ] Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR cc: Mr. Keck, Dep, CMS file	[ ] Prepare reply for appropriate signature DATE DUE _____ [ ] FOIA DATE DUE _____ [X] 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
61 Forsyth Street, SW, Suite 4T20
Atlanta, Georgia 30303-8909

CMS
CENTERS for MEDICARE & MEDICAID SERVICES

March 4, 2011

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

Re: South Carolina Title XIX State Plan Amendment 10-015

Dear Mr. Keck:

South Carolina submitted State Plan Amendment (SPA) 10-015 which was received by the Centers for Medicaid & Medicaid Services (CMS) on December 15, 2010. This amendment, with a proposed effective date of February 1, 2011, proposes to discontinue coverage of the optional services for dental, hospice, podiatry, routine eye exams with refraction, eyeglasses for adults, and reduce the number of home health visits.

We have completed our review of South Carolina SPA 10-015. Before we can continue processing this amendment we need additional or clarifying information. The regulation at 42 CFR 430.10 requires that the State Plan include a comprehensive written statement submitted by the State describing the nature and scope of its Medicaid Program. Section 6002 of the State Medicaid Manual further stipulates the State Plan must be comprehensive enough to determine the required level of FFP and to allow interested parties to understand the rate setting process and the items and services that are paid through these rates. Since the State Plan is the basis for FFP, it is important that the plan's language be clear and unambiguous. Please respond to the following questions:

Attachment 3.1-A, Limitation Supplement, Page 4b

Home Health Services

1. Please discuss how individuals currently receiving services that would be terminated or reduced through this SPA were notified of these actions, as required by 42 Code of Federal Regulations (CFR) 431.202 and related provisions. A description of home health services are not described in the State plan. Please provide a description in the State plan consistent with Medicaid regulations at 42 CFR 440.70. Please list and define the mandatory and optional components of home health services. Include any limitations in the plan for each component of home health services.

2. Please clarify in the State Plan that home health services including nursing, home health aide, medical supplies and equipment, are provided on a physician's orders as part of a written plan of care (per 42 CFR 440.70). In addition, please clarify that home health agencies meet the conditions of participation in Medicare (42 CFR Part 484).

3. It is unclear from the information provided that physical therapy, occupational therapy, or speech language pathology services are available under home health services. Please clarify if participants receive these services, under a physician's order, as part of a written plan of care. Please clarify in the SPA that therapist providing these services meet the provider qualifications at 42 CFR 440.110. Explain any conditions which a provider would provide services under the direction of a qualified therapist. Describe, in the plan, how services are provided "under the supervision of" or under the direction of a qualified therapist.

4. States may place coverage limits on home health services if the limits are based on considerations related to medical necessity or utilization control. Also, States can control costs for the home health benefit by limiting the amount, scope, and duration of home health benefits-as long as all services in the State plan category are sufficient to meet the needs of most persons who need the services.

   Please explain how the State determined that a reduction of home health visits from 75 to 50 would be sufficient to meet the needs of most persons with a medical necessity for these services.

We are requesting this additional/clarifying information under provisions of section 1915(f) of the Social Security Act (added by PL 97-35). This has the effect of stopping the 90-day clock for CMS to take action on the material, which would have expired on March 15, 2011. A new 90-day clock will not begin until we receive your response to this request.

In accordance with our guidelines to all State Medicaid directors dated January 2, 2001, if we have not received the State's response to our request for additional information within 90 days from the date of this letter, we will initiate disapproval action on the amendment. In addition, because this amendment was submitted and is effective after January 2, 2001, please be advised that we will continue to defer FFP for State payments made in accordance with this amendment until it is approved. Upon approval, FFP will be available for the period beginning with the effective date through the date of approval.

If you have any questions, please contact Tandra Hodges, at 404-562-7409.

Sincerely,

Jackie Glaze

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