

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO	DATE
<i>Medical Services/Giese</i>	<i>3-7-11</i>

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER 000391	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>Claud 3/29/11, letter attached</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>3-16-11</i>
	<input type="checkbox"/> 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.			

Bm.

Please log -
Med Svcs / BZ - (approx Sign)

thx Jan

J

Please have BZ write
letter back explaining

that it is not a

"cut-off" but simply
a check point to

see if additional

therapy are medically
necessary. If they are -
they will be in charge.

March 7, 2011

Anthony E. Keck, Director
South Carolina DHHS
Post Office Box 8206
Columbia, SC 29202

Dear Director Keck:

I am forwarding to you a copy of a Medicaid Bulletin dated January 31, 2011. The Bulletin states that services for various therapies listed will be limited to 75 hours per year instead of three times that amount which would have been 225 hours. My constituent Snow Parrott contends that a proper policy concerning these hours should be that the 75 hours be divided by 12, giving a monthly allowable usage for April, May and June of 2011.

The way the Bulletin now reads, it would be possible that her Downs Syndrome baby has already received the maximum number of hours and could be cut off from treatment in April, May and June. The fair and economical way for the Department to proceed would not be to cut anyone off as of April 1st, but to rather prorate the total hours of the new regulation. That would mean a possibility of reduced hours of treatment but not the abandonment of treatment as we believe this Bulletin might entail. This would be completely unfair to parents who had no prior warning and would not have necessarily conserved hours to keep in the back pocket, so to speak, during April, May and June.

This interpretation would still allow the Department the same money but it would do it on a fair basis not allowing the slippage of medical advancement that has heretofore been achieved during the past nine months. My constituent's phone number is (678) 488-8642.

Ms. Parrott will be glad, of course, to discuss this anomaly with your AA at any time. Please let me know the outcome as this Bulletin could create some very definite "hits" on therapy in progress.

Anthony E. Keck, Director

RECEIVED

MAR 07 2011

Department of Health & Human Services
OFFICE OF THE DIRECTOR

I look forward to discussing this matter with you.

Very truly yours,

David L. Thomas

DLT/clpg

South Carolina
DEPARTMENT OF HEALTH AND HUMAN SERVICES
Post Office Box 6206
Columbia, South Carolina 29202-6206
www.southcarolina.gov

January 31, 2011 ALL

MEDICAID BULLETIN

TO: Providers Indicated

SUBJECT: Clarification on Private Therapy Reductions

Due to system changes required, Private Rehabilitative Therapy Services (speech-language pathology therapy, occupational therapy, or physical therapy) will be limited to a combined total of 75 hours (300 units) per state fiscal year effective April 1, 2011. This state fiscal year begins July 1 and ends June 30 of each year. The combined therapy limit will be based on total hours as of April 1, 2011. The limits set on August 1, 2009 will apply to services billed before April 1, 2011. Providers may verify the therapy unit count by utilizing the Medicaid Interactive Voice Response System (IVRS) or South Carolina Medicaid Web-based Claims Submission Tool's eligibility screen beginning March 1, 2011.

As indicated in the Private Rehabilitative Therapy & Audiological Services Manual, on pages 2-4, "Payment for services that exceed frequency limitations must only be justified as a result of an Early and Periodic screening, Diagnosis, and Treatment (EPSDT) examination, and pre-approved by South Carolina Department of Health and Human Services (SCDHHS)." This policy remains unchanged.

Section 1906 (X)(5) of the Social Security Act (the Act) requires that any medically necessary health care service listed at Section 1905(e) of the Act intended to correct or ameliorate defects, and physical and mental illnesses and conditions discovered by the screening service, be provided to an EPSDT recipient. Children with special health care needs may need to be seen more frequently than children who have no identified specialized health care needs. When a physician identifies, through these screenings, a condition that requires referral to another practitioner, it is the responsibility of that physician to ensure appropriate referral be made to address that condition. It is also important that the physician reassess, on a regular basis, the need for ongoing services.

Should a physician determine through an EPSDT visit that a child requires additional private rehabilitative therapy services that physician must document the medical necessity and request additional visits in writing for review by the SCDHHS Medical Director. These pre-approved requests must include an evaluation overview, proposed treatment plan with expected outcomes, relative

Fraud & Abuse Hotline 1-866-964-3224

Page 2

progress notes, and anticipated units of services needed to address need(s). The documentation must indicate the diagnosis and/or functional impairment that establishes medical necessity, and must be signed by the child's primary care physician. Documentation should be faxed to SCDHHS staff at 803-255-8222, attention Private Rehabilitative Therapy Services Authorization, prior to provision of the service. Failure to comply with these requirements may result in denial or recoupment of payment.

These new limits apply to Private Rehabilitative Therapy Services, School-Based Rehabilitative Therapy Services provided under the Individuals with Disabilities Education Act (IDEA) are exempt from yearly frequency limits. Additionally, these limits do not apply to therapy services provided in Outpatient Hospital Clinics. These limits also do not necessarily apply to beneficiaries enrolled in Medicaid Managed Care Organization (MCOs).

Should you have any questions regarding this policy, please contact SCDHHS staff at 803-898-2655. Thank you for your continued support of the South Carolina Medicaid program.

/s/
Anthony E. Kaik
Director

AEK/kpw

NOTE: To receive Medicaid benefits by email, please register at <http://medicaid.southcarolina.gov>. To sign up for Electronic Funds Transfer of your Medicaid payments, please visit [http://www.southcarolina.gov/medicaid/medicaidbenefitsandselectelectronicfundstransfer\(EFT\)forrecipients](http://www.southcarolina.gov/medicaid/medicaidbenefitsandselectelectronicfundstransfer(EFT)forrecipients).

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Medical Services/Giese</i>	DATE <i>3-7-11</i>
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<i>1. [Signature]</i>	<i>3-21-11</i> <i>3-11-11</i>		
<i>2. BG Stein</i>	<i>3/16 3/17</i> <i>3/25 OK BG</i>		
3.			
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Dept. of Health
& Human Services

MAR 07 2011

Bureau of
Health Services



Bur:

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Department of Health & Human Services
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March 7, 2011
Page Two

I look forward to discussing this matter with you.

Very truly yours,

David L. Thomas

DLT/clpg

South Carolina
DEPARTMENT OF HEALTH AND HUMAN SERVICES
Post Office Box 8206
Columbia, South Carolina 29202-0206
www.southcarolina.gov

January 31, 2011

ALL

MEDICAID BULLETIN

TO: Providers Indicated

SUBJECT: Clarification on Private Therapy Reductions

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As indicated in the Private Rehabilitative Therapy & Audiological Services Manual, on pages 2-4, "Payment for services that exceed frequency limitations must only be justified as a result of an Early and Periodic screening, Diagnosis, and Treatment (EPSDT) examination, and pre-approved by South Carolina Department of Health and Human Services (SCDHHS)." This policy remains unchanged.

Section 1902 (Y)(9) of the Social Security Act (the Act) requires that any medically necessary health care service listed at Section 1805(a) of the Act intended to correct or ameliorate defects, and physical and mental illnesses and conditions discovered by the screening service, be provided to an EPSDT recipient. Children with special health care needs may need to be seen more frequently than children who have no identified specialized health care needs. When a physician identifies, through these screenings, a condition that requires referral to another practitioner, it is their responsibility of that physician to ensure appropriate referral be made to address that condition. It is also important that the physician reassess, on a regular basis, the need for ongoing services.

Should a physician determine through an EPSDT visit that a child requires additional private rehabilitative therapy services, that physician must document the medical necessity and request additional visits in writing for review by the SCDHHS Medical Director. These pre-approved requests must include an evaluation overview, proposed treatment plan with expected outcomes, relative

Paul & Akeem Health 1-800-364-5224

Page 2

progress notes, and anticipated units of services needed to address need(s). This documentation must indicate the diagnosis and/or functional impairment that establishes medical necessity, and must be signed by the child's primary care physician. Documentation should be faxed to SCDHHS staff at 803-255-4222, attention Private Rehabilitative Therapy Services Authorization, prior to provision of the service. Failure to comply with these requirements may result in denial or recoupment of payment.

These new limits apply to Private Rehabilitative Therapy Services, School-Based Rehabilitative Therapy Services provided under the Individuals with Disabilities Education Act (IDEA) are exempt from yearly frequency limits. Additionally, these limits do not apply to therapy services provided in Outpatient Hospital Clinics. These limits also do not necessarily apply to beneficiaries enrolled in Medicaid Managed Care Organization (MCOs).

Should you have any questions regarding this policy, please contact SCDHHS staff at 803-898-0855. Thank you for your continued support of the South Carolina Medicaid Program.

/s/
Anthony E. Kock
Director

AEK/vmw

NOTE: To make the Medicaid database by email, please register at www.southcarolina.gov. To sign up for Electronic Remittance Advice (ERA) and other services, please go to www.southcarolina.gov and click on the "My Account" link. For more information, please contact the Medicaid Helpdesk at 803-255-4222.

Paul & Akeem Health 1-800-364-5224



March 29, 2011

The Honorable David L. Thomas
South Carolina Senate
410 Gressette Building
Columbia, South Carolina 29210

Dear Senator Thomas:

Thank you for the letter regarding your constituent Ms. Snow Parrott and the application of policy changes for Private Rehabilitative Therapy Service for her child.

In order to assure that we are paying for services that are medically necessary, and that we are providing the needed resources to our recipients, the South Carolina Department of Health and Human Services (SCDHHS) updated the Private Rehabilitative Therapy Services policy to require prior authorization (PA) for speech-language pathology, occupational, and/or physical therapy services that exceeds 75 hours per state fiscal year. This action puts a checkpoint in place before additional services can be approved, and it assists in further integrating the recipients primary care physician into the system of care. Under Early Periodic Screening Diagnostic Testing, if a recipient needs additional services, the child's primary care physician must send a written request with the diagnosis to the SCDHHS Medical Directors who will then review the request and approve additional hours that are deemed medically necessary. A letter will be sent to the primary care physician notifying them of the approved hours and the process in which they can receive reimbursement for these services. We are typically processing these requests in 3-5 days from receipt here at the agency.

We are finalizing a clarification Medicaid Bulletin regarding this topic which you will be able to access on our website, www.scdhhs.gov, once it is approved.

Due to the Health Insurance Portability and Accountability Act (HIPAA) privacy rules, we are unable to discuss the specifics of your constituent's care without her written consent. Mr. Christopher Lykes, Program Coordinator for School Based Services, has been in contact with the beneficiary's provider to assist in acquiring the prior approvals needed to continue any medically necessary services. After the submission of the request to the agency, our Medical Director will review the documentation to make a final decision. We will communicate the outcome of our review directly to her primary care physician as well as to Ms. Parrott.

Thank you for bringing your concerns to our attention and for your continued support of the South Carolina Medicaid Program. If you have any additional questions or concerns please feel free to contact Ms. Melanie "Bz" Glese, Deputy Director, at (803) 898-0178.

Sincerely,


Anthony E. Keck
Director

AEK/ws