

Sept. 2, 2026
MB# 26-030

MEDICAID BULLETIN

TO: Hospitals

SUBJECT: Outpatient Hospital Drugs and Biologicals Payment Update

Effective on or after Oct. 1, 2026, the South Carolina Department of Health and Human Services will update the payment methodology for outpatient hospital drugs and biologicals as follows:

- Outpatient hospital drugs and biologicals will be reimbursed based on the methodology outlined in the state plan for physician-administered drugs
- Certain outpatient hospital drugs and biologicals will be reimbursed as add-on and will not be subject to the outpatient hospital multiplier

These changes will be reflected in the [Hospital Services Provider Manual](#) on or after Oct. 1, 2026.

South Carolina's Medicaid managed care organizations (MCOs) are responsible for the authorizations, coverage and reimbursement related to the services described in this bulletin for members enrolled in an MCO.

Providers should direct questions related to this bulletin to the Provider Service Center (PSC). PSC representatives can be reached at (888) 289-0709 from 7:30 a.m.-5 p.m. Monday-Thursday and 8:30 a.m.-5 p.m. Friday. Providers can also submit an online inquiry at <https://www.scdhhs.gov/providers/contact-provider-representative>.

Thank you for your continued support of the South Carolina Healthy Connections Medicaid program.

/s/
Eunice Medina