SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Office of Substance Use (OSUS) Services Policy Update

Melanie Hendricks
Director of Behavioral Health
July 8, 2026

Updates Overview

Section	Name	Page	Changes
Cover Page	Title	N/A	• Updated title to reflect a recovery orientation.
1	Program Overview	1	• Revised "Contents" listing, which reflects new manual template; updated language to provide an overview of service delivery model
2	Covered Populations	3	• Updated language to define members eligible for services; added information on verification of member eligibility
3	Eligible Providers	5	• Added language to clarify entities acting on behalf of state agencies • Added certified peer supervisor as a professional title • Updated addiction professional organization title to reflect current organizational name • Added updated training resources
4	Covered Services and Definitions	31	• Added general definitions of terms such as covered services, face-to-face, provider, etc. • Added language to explain Early and Periodic Screening, Diagnostic and Treatment (EPSDT) • Expanded existing telehealth policy to a telehealth overview policy and telehealth criteria • Updated service terminology to align with recovery-oriented language • Updated peer support service evaluation requirements • Reformatted and updated medical necessity criteria (aligned American Society of Addiction Medicine [ASAM] with third edition)
5	Utilization Management	54	• Added language regarding utilization review by OSUS
6	Reporting/Documentation	58	• Updated definitions of service-specific documentation requirements
New 7	Billing Guidance	78	• Reorganization of current policy to provide information on procedure code sets, claim type information, indicators and modifiers; added a new section about reimbursement and charge limits
New 8	Benefit Criteria and Limitations	142	• Added certified peer supervisor language • Added behavioral health screening as a billable service and included examples of eligible screening tools • Updated examples of eligible screening tools for substance use structured screening • Updated OSUS procedure code table • Added clarification regarding the billing of psychotherapy on the same day as a medical encounter

Section One: Program Overview

Section One: Program Overview

New language

- "The South Carolina Department of Health and Human Services (SCDHHS) oversees the provision of behavioral health services delivered to Healthy Connections Medicaid members via the following programs:
  - Fee-for-service (FFS)
  - Managed care organizations (MCOs)"
- Refers providers directly to the **Provider Administrative and Billing Manual** to ensure understanding of general rules and guidelines in Medicaid service delivery and submission of claims.
  - Providers are responsible for knowing **both** manuals, the Provider Administrative and Billing Manual and the appropriate Medicaid services provider manual, when rendering Medicaid services.

Section Two: Covered Populations

Section Two: Covered Populations

New language

- "The following full-benefit members may receive medically necessary diagnostic and rehabilitative behavioral health services:
  - Children: Members age 0 through 20 years old (through the last day of the month of the person's 21st birthday).
  - Adults: Members age 21 years and older."
- Member eligibility must be verified by providers on the date of service to ensure provider payment.

Section Three: Eligible Providers

Section Three: Eligible Providers

- Entities acting on behalf of a state agency:
  - County substance use authorities (also referenced as OSUS-affiliated organizations) were added as entities acting on behalf of a state agency.
  - This clarifies that county substance use authorities are considered as “state agencies” rather than “private providers” related to policy application within this manual.

Section Three: Eligible Providers *(cont.)*

Updated information

- In 2025, Addictions Professionals of South Carolina (APSC) added a credential for certified peer supervisor. This title was added to the Peer Support Specialist designation as defined in the qualified providers chart to allow staff to bill under this title.
- The abbreviation for certified substance abuse professional was updated to CSAP to distinguish it from substance abuse professional (SAP).
- South Carolina addiction professional organization name was updated to reflect the current name.
  - South Carolina Association of Alcoholism and Drug Abuse Counselors is now APSC.

Section Three: Eligible Providers *(cont.)*

New information

- Training resources updates
  - Added legal references
    - South Carolina Code of Laws, Section 63-5-340. *Minor's consent to health services.*
    - Legal Aspects of Clinical Care: Minor's Rights to Consent in SC
    - Code of Laws - Title 44 - Chapter 22 - Rights Of Mental Health Patients
  - Added examples of evidence-based suicide screening including:
    - C-SSRS Screen Version
    - Columbia Suicide Severity Rating Scale (C-SSRS) | SAMHSA The Lighthouse Project - The Columbia Lighthouse Project
    - CALM: Counseling on Access to Lethal Means – Suicide Prevention Resource Center

Section Four: Covered Services and Definitions

Section Four: Covered Services and Definitions

General definitions – New information

- **Covered services:** Medical services, including those coverable through the EPSDT benefit, which meet the following criteria:
  - Are medically necessary,
  - Are provided to an eligible member by a participating provider,
  - Are the most appropriate supply or level of care consistent with professionally recognized standards of medical practice within the service area and applicable policies and procedures and
  - Are not rendered for convenience, cosmetic or experimental purposes
- **Face-to-face services:** These are services delivered in person with the member or via video through telehealth (**NOTE**: "In-person" is used throughout the manual when a service may not be conducted through telehealth).
- **Provider:** An individual, firm, corporation, association or institution providing, or approved to provide, medical assistance to a member pursuant to the State Medical Assistance Plan and in accordance with Title XIX of the Social Security Act, as amended.

Section Four: Covered Services and Definitions *(cont.)*

- **Medically Reasonable and Necessary:** Procedures, treatments, medications or supplies, (the provision of which may be limited by specific provisions, bulletins and other directives [42 CFR 440.230 (d) and S.C. Code of Regulations 126-300 (D)]), ordered by a physician, dentist, chiropractor, mental health care provider or other approved, licensed health care practitioner to identify or treat an illness or injury which per [S.C. Code of Regulations 126-425(9)]:
  - Must be provided at appropriate facilities, at the appropriate levels of care and in the least costly setting required by the member's condition,
  - Must be administered in accordance with recognized and acceptable standards of medical and/or surgical discipline at the time the member receives the service,
  - Must comply with standards of care and not for the member's convenience, experimental or cosmetic purposes and
  - Medical necessity or any referral information must be documented in the member's health record and must include a detailed description of services rendered. The fact that a provider prescribed a service or supply does not deem it medically necessary.

Section Four: Covered Services and Definitions *(cont.)*

- **Early and Periodic Screening, Diagnostic and Treatment (EPSDT):** A benefit for persons under age 21 made pursuant to 42 U.S.C. Sections 1396a(a)(43), 1396d(a)(4)(B) and 1396d(r), and 42 C.F.R. Part 441, Subpart B to ascertain children's individual physical and mental illnesses and conditions discovered by screening services, whether such services are covered.

New information

- Service-specific medical necessity criteria
  - User-friendly chart of corresponding medical necessity criteria for all rehabilitative behavioral health and substance use services.

Section Four: Covered Services and Definitions *(cont.)*

New information

- Expanded telehealth definition and criteria
  - Telehealth definition conforms with federal guidelines and includes citation of federal regulation; standardized definition across all Medicaid provider manuals.
  - Updated language and clarified criteria for use of telehealth in RBHS and substance use provider settings.

Section Four: Covered Services and Definitions *(cont.)*

New! Recovery-oriented Language Updates:

Former Description	Current Description
Substance Abuse Counseling (SAC)	Substance Use Counseling (SUC)
Alcohol and Drug Assessment (ADA)	Substance Use Diagnostic Assessment (SUDA)
Alcohol and Drug Assessment Nursing Services (ADN)	Substance Use Assessment Nursing Services (SUN)
Alcohol and Drug Screening (ADS) and Brief Intervention Services	Substance Use Screening (SUS) and Brief Intervention

Section Four: Covered Services and Definitions *(cont.)*

Updated information

- Peer Support Evaluation
  - Initial criteria for PSS when added to the RBHS manual included service evaluation criteria.
  - Based on service reviews, it was determined there was no longer added benefit to continue evaluation of the service; thus, all references to this requirement have been removed.
  - Providers are encouraged to continue any activities that support peers in their work as well as support members in accessing high quality peer support services.

Section Four: Covered Services and Definitions *(cont.)*

New information

- Medical Necessity and ASAM Alignment
  - Medical Necessity criteria were updated to align with ASAM third edition.
  - SCDHHS continues to work with OSUS and the Behavioral Health Services Association on updates that will be required upon county authority integration of ASAM fourth edition.

Section Five: Utilization Management

New language

Authorization for FFS Members:

- OSUS is responsible for issuing prior and continuing service authorizations for Intensive Community-based and Residential Treatment Services.
- Providers must obtain the number assigned to the prior authorization to include on the claim from OSUS utilization management staff toll-free at (800) 374-1390 (Mon.-Fri., 8:30am - 5:00pm).
- For other questions related to authorization of substance use services, providers may contact OSUS at (803) 896-5555 (Mon.-Fri., 8:30am – 5:00pm).

Section Six: Reporting/Documentation

Section Six: Reporting/Documentation

New language

- Consent to examinations and treatment
  - "If a member presents for intervention due to a mental health crisis but is a new patient, is alone and unable to sign for consent due to age and parent/legal guardian/legal representative is not available, the next of kin or other responsible party who brought the member may sign the consent form.
  - A statement such as, "Appropriate party is not present to sign for consent; client requires emergency treatment," must be noted on the consent form and signed by the provider and one other staff member as a witness.
  - The parent/legal guardian/legal representative must sign the consent form as soon as circumstances permit and before any additional services are provided.
  - In all such circumstances, efforts must be made to contact the parent/legal guardian/legal representative to obtain verbal consent. Efforts to contact (if unable to reach) and verbal consent must be documented in the clinical record."

Section Six: Reporting/Documentation *(cont.)*

New information/language

- Service-specific documentation requirements
  - Clarified, reorganized and updated language for Medicaid requirements with specific examples, when relevant:
    - "Behavioral health screening (BHS)
      - BHS results shall be documented during the screening session with the member. The completed screening tool and written interpretation of the results must be filed in the member's clinical record within 10 working days from the date of service. Services must be documented on a clinical services note (CSN) with a start time and end time (ex., 10:03 a.m. to 10:56 a.m.).
      - Additionally, the documentation must meet all SCDHHS requirements for CSNs. Documentation must also:
        - Include the outcome of the screening,
        - Identify any referrals resulting from the screening and
        - Support the number of units billed."

Section Six: Reporting/Documentation *(cont.)*

New language

- Diagnostic assessment
  - Include full mental status exam; expanded view of trauma history; expands clinical interpretive summary to include case conceptualization that leads to diagnosis, the medically necessary services and frequencies recommended, outside referrals, anticipated treatment start date.
    - ➢ *THIS ALLOWS FOR INITIAL TREATMENT IN INTERIM PRIOR TO IPOC FORMULATION.*
- Psychological testing and evaluation (PTE)
  - "PTE is not intended to be a member's initial behavioral health service and is provided only when medically necessary. If the member has been referred by another provider who, after efforts have been made to assess and diagnose the member, requires the administration and interpretation of psychological tests to aid in the determination of diagnoses and level of impairment, the psychologist or licensed psycho-educational specialist must complete the diagnostic assessment (using the follow-up diagnostic assessment procedure code)."

Section Six: Reporting/Documentation *(cont.)*

New language

- Crisis intervention
  - Service name changed
  - Increased focus on suicide prevention, screening for suicide risk and evidence-based practices
  - If member is assessed to be safe to return home, documentation now requires completion of safety plan with the member and must be available in the medical record (copy provided to member).
  - Provider must include plan for follow-up post-crisis and steps for ongoing monitoring

Section Six: Reporting/Documentation *(cont.)*

New language

- Other specific documentation requirements
  - Individualized plan of care (IPOC)
    - More expansive and descriptive information on goals and objectives, specifies SMART goals, clarifies documenting clinical interventions
    - Provides clarification for specificity required in service frequency and individualized timeframes for goal achievement
    - Provides description of criteria for achievement
    - Clarifies age of consent and when there must be client permission to include parent/guardian in treatment, such as when the member can sign their own treatment plan
- Updated guidance in this section assists the provider in addressing common Medicaid documentation errors

Section Six: Reporting/Documentation *(cont.)*

New language

- Other specific documentation requirements
  - CSNs
    - More detailed explanation of required components
      - Example: "A detailed statement of general progress of the member to include observations of their conditions/mental status. Progress must reflect individualized information about the member over the course of treatment and shall not be general categories or generalized statements of progress in treatment (phrases such as 'moderate improvement' and/or 'not making progress' will not meet this standard unless detailed supporting information is provided)."
- Updated guidance in this section assists the provider in addressing common Medicaid documentation errors
- Provides substance use services-specific documentation guidance where relevant.

Section Seven: Billing Guidance

Section 7: Billing Guidance

New information/language

- Guidance added to provide further clarification on charge limits, reimbursements and prohibited billing practices
- Procedure code updates:
  - Behavioral health screening: H0002
    - Updated per national CPT code guidelines from 15-minute unit to an encounter; one encounter per day/per member
  - PTE codes: 96131, 96136 and 96137
    - PTE codes and service definitions match billing requirements for psychological evaluation

Section Eight: Benefit Criteria and Limitations

Section Eight: Benefit Criteria and Limitations

New manual section

- "The services defined in the RBHS Manual are organized in the following categories:
  - Screening and assessment services,
  - Service plan development of the IPOC,
  - Core treatment services and
  - Crisis management services.
- This section will provide the service criteria and benefit limitations for each covered service."
- RBHS procedure codes added at the end of service definitions.

Section Eight: Benefit Criteria and Limitations *(cont.)*

New manual section

- "Substance use-specific services are arranged in the following categories:
  - Screening and assessment services,
  - Service plan development of the IPOC,
  - Medical services,
  - Psychotherapy and community support services,
  - Crisis management services and
  - Intensive community-based and residential treatment services."
- Substance use services procedure codes added at end of the service definitions.

Section Eight: Benefit Criteria and Limitations *(cont.)*

New manual section

- **"NOTE**: For those services provided by both RBHS providers and substance use services providers (e.g., CALOCUS-CASSI, PTE/PTA, psychiatric medical assessment, service plan development, individual, family and group psychotherapy, select community support services, and crisis management services), please refer to the set of service definitions in Section Eight of this manual. Pertinent procedural information specific to substance use disorder providers is listed in this section."

Section Eight: Benefit Criteria and Limitations *(cont.)*

- Certified peer support specialists who have obtained the APSC certified peer supervisor certification do not need to also maintain their preliminary peer support certification to be reimbursed by Medicaid.
- The APSC certified peer supervisor certification is recognized as encompassing the certified peer support specialist credential. Thus, certified peer supervisors remain eligible to render direct peer support services, as noted in Section Three.

Section Eight: Benefit Criteria and Limitations *(cont.)*

- BHS was added as a covered service to allow providers to bill for screenings intended to identify mental health conditions outside of substance use disorder.
- The following examples of evidence-based tools were added:
  - Columbia-Suicide Severity Rating Scale (C-SSRS)
  - Suicide Assessment Five-Step Evaluation and Triage (SAFE-T)
  - Strengths and Difficulties Questionnaire (SDQ)
  - Child and Adolescent Trauma Screen (CATS)
  - Trauma Screening Questionnaire (TSQ)
  - Children's Depression Inventory-2 (CDI-2)
  - Patient Health Questionnaire-9 (PHQ-9)
  - Screen for Child Anxiety Related Emotional Disorders (SCARED)
  - Generalized Anxiety Disorder-7 (GAD-7)
  - Pittsburgh Sleep Quality Index (PSQI)

Section Eight: Benefit Criteria and Limitations *(cont.)*

- Medical services and psychotherapy
  - When a member receives a medical evaluation and management (E&M) service on the same day as a psychotherapy service* rendered by the same medical professional, providers must document both the E&M and psychotherapy codes. The difference in the services must be significant and documented separately on the CSN.
  - Only one E&M encounter is allowed per day when individual psychotherapy services are also rendered. A nurse is responsible for assisting in monitoring the member's medical treatment and medication administration.
  - *When an E&M service is provided on the same day as an individual psychotherapy service rendered by a different provider, that provider must bill 90833 or 90836 as appropriate.

Questions

Please submit any questions in the webinar's Q&A box or providers may reach the Office of Behavioral Health at our new email address:

MedicaidStatePlan@scdhhs.gov

THANK YOU FOR ATTENDING!


SOUTH CAROLINA
ANIMIS OPIBUSQUE PARATI
DUM SPIRO SPERO
SPES
QUIS SEPARABIT
MELIOREM LAPSA LOCAVIT
1776