

Nov. 27, 2023  
MB# 23-059

## MEDICAID BULLETIN

**TO: Current and Prospective Rehabilitative Behavioral Health Services (RBHS), Licensed Independent Practitioner (LIP) and Medicaid Targeted Case Management (MTCM) Providers**

**SUBJECT: New LIP and RBHS Provider Enrollment Requirements; New LIP, MTCM and RBHS Revalidation Requirements**

The South Carolina Department of Health and Human Services (SCDHHS) will sunset the existing moratorium that prohibits new providers from enrolling as the private RBHS provider type. In conjunction with sunsetting the moratorium, the agency is updating enrollment requirements for LIP and RBHS providers and revalidation requirements for LIP, MTCM and RBHS providers as described in this bulletin. Sunsetting the moratorium, which has served as a valuable tool to protect against the potential for fraud, waste and abuse in this service area, coincides with the agency's effort to fundamentally redesign its array of covered behavioral health services. Through this effort, SCDHHS will continue to work with stakeholders to increase access to quality behavioral health care for Healthy Connections Medicaid members while also appropriately safeguarding taxpayer funds.

### **Sunsetting the RBHS Provider Type Enrollment Moratorium**

SCDHHS will allow providers who render behavioral health services to enroll as private RBHS providers beginning Jan. 1, 2024. This change will allow eligible, accredited providers who are not currently enrolled as RBHS providers to enroll as RBHS providers and be reimbursed for services included in the updated [RBHS provider manual](#). Interested providers can learn more about the provider enrollment process [here on SCDHHS' website](#).

### **New Provider Enrollment Requirements**

The Centers for Medicare and Medicaid Services (CMS) strengthened requirements for Medicaid provider screening to prevent fraud, waste and abuse. CMS requires state Medicaid agencies to screen all provider applications based on a categorical risk level of "limited," "moderate" or "high." Newly enrolling LIP and RBHS providers are categorized as "high-risk." In conjunction with lifting the moratorium on new RBHS provider enrollment, this categorization will be added

to help the agency align with federal requirements and ensure taxpayer funds are appropriately safeguarded. These requirements are described below.

### **Revalidation and Requirements for Currently Enrolled LIP, MTCM and RBHS Providers**

Enrolled LIP, MTCM and RBHS providers are considered “high-risk” and as such will be required to comply with the CMS regulations (Subpart E of 42 CFR § 455) associated with this category. SCDHHS will proactively work with all South Carolina Healthy Connections Medicaid-enrolled providers who are categorized as high-risk to ensure they comply with federal regulations.

### **New Requirements for Current and Newly Enrolling Providers**

Regarding the federal regulations referenced above, newly enrolling RBHS and LIP providers and currently enrolled LIP, MTCM and RBHS providers will need to comply with requirements listed below.

- All currently enrolled LIP, MTCM and RBHS providers and newly enrolling LIP and RBHS providers are required to undergo level 1 and level 2 fingerprint-based criminal history background checks with both the South Carolina Law Enforcement Division (SLED) and the Federal Bureau of Investigation (FBI). For currently enrolled providers, the fingerprint-based background check must be completed during the upcoming provider revalidation process. More information about the restart of the provider revalidation process, including the timeframe by which LIP, MTCM and RBHS providers must complete these new requirements, will be included in a future Medicaid bulletin. SCDHHS will notify currently enrolled high-risk providers who are subject to the requirements announced in this bulletin in writing with necessary actions and resources to assist providers in complying with these new requirements.
- All newly enrolling LIP and RBHS providers are required to undergo a pre-enrollment site visit and level 1 and level 2 fingerprint-based criminal history background checks with both SLED and the FBI.
- All currently enrolled LIP, MTCM and RBHS providers are subject to potential post-enrollment site visits. The purpose of site visits is to verify that the information submitted to the state Medicaid agency is accurate and to determine compliance with federal and state enrollment requirements (§ 455.432[a]).
- Provisions have been added to the [LIP Rehabilitative Services](#), [MTCM Services](#) and [RBHS](#) provider manuals and the [Participation and Payment Agreement](#) that hold provider owners and managing employees criminally liable for the actions of the providers’ employees, agents and representatives.
- The 18-month inactive provider termination process has been reinstated. Through this process, if a provider does not have any claim activity (fee-for-service or encounter, paid or denied) over the course of an 18-month period, their provider ID will be terminated. This inactivity alone will not qualify as a termination for cause and the provider may re-apply to the South Carolina Healthy Connections Medicaid program should they meet all current requirements.

- 100% disclosure of ownership will be required, captured and attested to during the provider enrollment process in accordance with 42 CFR § 455 Subpart B.

**State agency providers, mental health counselors who are school-district employees and entities acting on behalf of a state agency, including child-placing agencies and Developmental Evaluation Centers, are not considered high-risk and therefore not subject to the requirements described in this bulletin.**

Providers and applicants can learn more about fingerprinting requirements, high-risk provider types and disqualifying criteria by visiting the [list of frequently asked questions \(FAQ\)](#) on the agency's [provider enrollment webpage](#).

The changes described in this bulletin have been made in the [LIP Rehabilitative Services](#), [MTCM Services](#) and [RBHS](#) provider manuals.

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

Providers should direct any questions related to this bulletin to the Provider Service Center (PSC) at (888) 289-0709 or to [behavioralhealth004@scdhhs.gov](mailto:behavioralhealth004@scdhhs.gov). The PSC's hours of operations are 7:30 a.m.-5 p.m. Monday-Thursday and 8:30 a.m.-5 p.m. Friday.

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

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Robert M. Kerr