

July 14, 2025
MB# 25-017

MEDICAID BULLETIN

TO: State Agencies, Hospitals, Rehabilitative Behavioral Health Services Providers, Licensed Independent Practitioners, Medicaid Targeted Case Management Providers

SUBJECT: Sunsetting of the Palmetto Coordinated System of Care Waiver

Effective July 31, 2025, the South Carolina Department of Health and Human Services (SCDHHS) will sunset the Palmetto Coordinated System of Care (PCSC) waiver.

The PCSC waiver was developed to support youth with serious mental health needs or related challenges. Its primary goal was to help families access the care and services necessary to keep their children safe, healthy and at home. Medicaid members can continue to access the full array of medically necessary behavioral health services covered by the Medicaid State Plan through their managed care organization (MCO) or directly from a provider for members that are in fee-for-service Medicaid.

Over the past five years, SCDHHS has partnered with the South Carolina Department of Children's Advocacy Continuum of Care (COC) to deliver case management services under the PCSC waiver.

SCDHHS, in coordination with COC, has developed a transition plan to ensure continued access to case management services for members enrolled in the PCSC waiver. Members enrolled in fee-for-service Medicaid will maintain case management services through COC. Members enrolled in an MCO will maintain case management services through their MCO.

Effective immediately, the SCDHHS Phoenix System will no longer be used as an electronic referral portal for PCSC waiver services.

If a Medicaid member is not enrolled in an MCO and requires an assessment for case management services, providers should refer to the [Medicaid Targeted Case Management provider directory](#).

South Carolina's MCOs are responsible for the authorizations, coverage and reimbursement related to the services described in this bulletin for Healthy Connections Medicaid members enrolled in an MCO.

Providers should follow SCDHHS' standard timely submission process for filing claims. 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 partnership in supporting the South Carolina Healthy Connections Medicaid program.

/s/
Eunice Medina