

#### **Medicaid Advisory Council (MAC) Meeting Agenda**

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#### Agenda

Date: Aug. 12, 2025 Time: 10 a.m.-12 p.m. **Location: Microsoft Teams** 

Торіс	Presenter
	1
1. Director's Welcome	Eunice Medina, Director
2. MAC Member Updates	Shadda Winterhalter, Strategic Initiatives Specialist
3. MAC Member Disclosure of Conflict of Interest	
4. Medicaid Enrollment	Lori Risk, Bureau Chief, Eligibility, Enrollment and Member Services Policy and Contracts
5. Advisement: Nursing Facility Rate Update	Nika Simmons, Chief of Reimbursements
6. Advisement: Payment Methodology Updates for Graduate Medical Education	Noelle Wriston, Director of Pricing
7. Advisement: Payment Methodology Update for Inpatient Hospital Services	Leslie Jones, Actuary
8. Advisement: Changes to Estate Recovery	Denise Benson, Program Manager of Estate Recovery
<ol><li>Advisement: Managed Care Organization Carve-In for Prime/Duals and Certain Waivers</li></ol>	Scott Timmons, Chief of Managed Care
10. Advisement: Increase to Opioid Treatment Program Rates	Margaret Alewine, Chief of Policy
11. Advisement and Policy Update: Revised Fee Schedules and Updates for Rehabilitative Behavioral Health Services and Licensed Independent Practitioners Provider Manuals	
12. Policy Update: Autism Spectrum Disorder Services Provider Manual	
13. 1915(c) Home and Community-based Waiver Amendments	
14. Policy Updates	
Closing Comments	
Adjournment	



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#### Medicaid Advisory Council May 13, 2025, Meeting Minutes

**Present** 

Graham Adams
Robert Bank
Sue Berkowitz
Steve Boucher
Maggie Cash
Anna Maria Conner
Steven Ferrufino
Dr. Thompson Gailey
Constance Holloway
Raymond Tiller
Vicki Young

**Not Present** 

Chief Brian Harris Amy Holbert Melanie Matney JT McLawhorn

#### **Director's Welcome and Staffing Updates**

SCDHHS Director Eunice Medina welcomed the Medicaid Advisory Council (MAC) and announced she had been formerly confirmed as the agency's director. She also said Jordan Desai is now serving as the deputy director of health programs.

Director Medina stated the agency is continuing to monitor its budget request. It has been submitted but not approved at this time.

She stated the agency held public meetings about the community engagement waiver application. One public meeting was held May 6 in-person and virtually and the second meeting is today during this MAC meeting.

#### **MAC Member Updates**

Strategic Initiatives Specialist Shadda Winterhalter provided an update on MAC. She announced a new member, Steve Boucher, with the South Carolina Alliance of Health Plans. The current list of MAC members is available at <a href="www.scdhhs.gov">www.scdhhs.gov</a>. Go to "About" at the bottom of the page, then click on "Committees and Groups" and go to "MAC."

The agency stated that federal rule requires the MAC must have two meetings open to the public to align with the Beneficiary Advisory Council (BAC). However, the agency will continue to have all MAC meetings open to the public. The agency is working with Family Connection of South Carolina to establish the BAC including the bylaws and roles and responsibilities of the council. A member of the

BAC must be a member of the MAC to provide updates to the MAC. The BAC will be established July 1, 2025, and the first meeting will be scheduled prior to the August MAC meeting.

There were no questions or comments.

#### **Medicaid Enrollment and Redeterminations**

Eligibility, Enrollment and Member Services Chief of Policy and Contracts Lori Risk stated the agency is in normal operations and provided an update on South Carolina Healthy Connections Medicaid's enrollment.

There were no questions or comments.

#### **Advisements and Updates**

#### **Advisement: Supplemental Teaching Physician Payment Program**

Chief of Reimbursements Nika Simmons provided an overview of the advisement.

There were no questions or comments.

#### **Advisement: Palmetto Pathways to Independence Waiver**

Chief of Policy Margaret Alewine provided an overview of the advisement.

The following questions and comments were provided.

- 1. Will these slides of the waiver overview be available anywhere?
  - a. The agency responded that these slides will be part of the MAC packet posted online on the <u>Committees and Groups committee page</u>. They will also be available online at www.scdhhs.gov/CEWaiver.
- 2. Is there consideration to allow volunteer hours to be used to satisfy the community engagement requirements for those eligible?
  - a. The agency stated there are not any considerations to allow volunteer hours in the current proposal with the exception of members of the Catawba Nation.
- 3. Will there be any exemptions if there is no childcare or transportation? Who will be the case worker for the beneficiary?
  - a. The agency responded there are presently not any exemptions for childcare included in this draft of the waiver. One of the guiding principles in drafting this waiver is to ensure the agency is aligning with existing processes for eligibility and annual reviews to prevent additional complications. The agency stated they are working with the Centers for Medicare and Medicaid Services through the approval process, including any additional requirements they may request.
- 4. Will working a full-time job, 40 hours a week, be an issue with applying for this?
  - a. The agency said members who do not meet any other eligibility categories' requirements will be evaluated for this program. All qualifying activities will be reviewed to ensure the members meet the criteria prior to enrollment in this demonstration waiver.
- 5. I would like to share testimony now, if appropriate.
  - a. The agency responded that the participant could share their testimony in comments now or submit them using the other means provided.

- 6. Will there be any consideration/exception for parents serving as primary caregivers to disabled children?
  - a. The agency stated if individuals do not meet requirements during participation in the waiver, they will be evaluated for other eligibility categories outside of the demonstration program.
- 7. I have a disabled child that I'm the primary caregiver for. My daughter has Medicaid, and I was appealing for myself and my other daughter, as we need health insurance too.
  - a. Sue Berkowitz, an MAC member, asked the participant if they would be willing to speak with MAC members, stating she would welcome the chance to meet with her and provided her email address.
  - b. Anna Maria Conner, an MAC member, responded she was available to meet with the participant as well.
  - c. Vicky Young, an MAC member, asked Sue Berkowitz to share insights from their conversation with the participant after it has occurred to prevent multiple meetings.

#### **Advisement: Clinic Services Mandatory "Four Walls" Exceptions**

Margaret Alewine provided an overview of the advisement.

There were no questions or comments.

#### **Advisement: Palmetto Coordinated System of Care Waiver Sunset**

Margaret Alewine provided an overview of the advisement.

There were no questions or comments.

#### **Policy Updates**

Margaret Alewine provided an update on Healthy Connections Medicaid service and policy changes.

There were no questions or comments.

#### Closing

The meeting was closed by thanking attendees for their participation. The next MAC meeting will be held Aug. 12, 2025.

# Thank you for participating in the Medicaid Advisory Council.

The meeting will begin shortly.





#### Medicaid Advisory Council (MAC) Aug. 12, 2025

The meeting will begin shortly.
Microphones are muted.
All cell phones are silenced.

Thank you for participating in the MAC meeting.

## **Meeting Logistics**

- Attendee lines will be muted for the duration of the webinar to minimize disruption.
- MAC members are welcome to comment or ask questions throughout the meeting.
- All other attendees who wish to comment or ask questions should do so during the specified public comment periods.
- Use the chat feature in Teams.





#### **Director's Welcome**

Eunice Medina, Director



#### **MAC Member Updates**

Shadda Winterhalter, Strategic Initiatives Specialist

## **MAC Member Updates**

- New "Partners" tab on the South Carolina Department of Health and Human Services (SCDHHS) website
  - > This is where you can find committee information, public data and the managed care section.
- Beneficiary Advisory Council (BAC) update
  - > Hosted the first BAC meeting July 29
  - > The BAC consists of seven members, still recruiting
- Meeting feedback for annual report



#### Member Disclosure of Conflict of Interest

MAC members who wish to speak on a topic in which they have a conflict of interest must disclose the conflict before participating in the discussion.

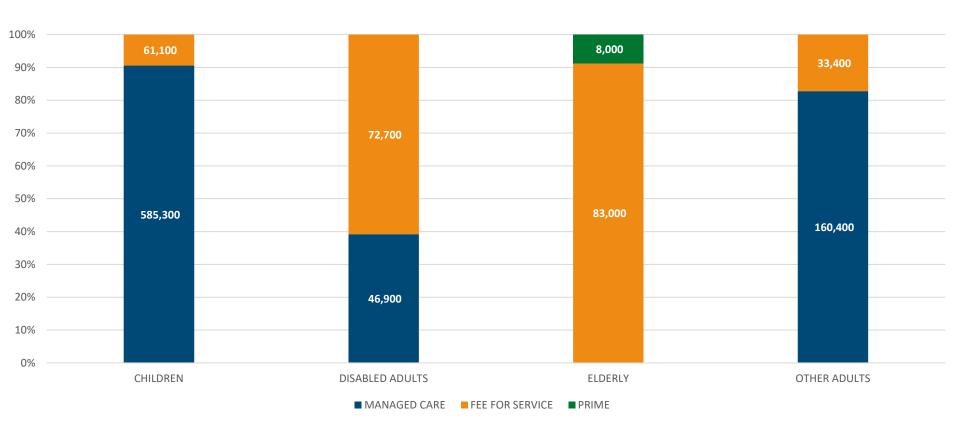




#### **Medicaid Enrollment**

Lori Risk, Bureau Chief Eligibility, Enrollment and Member Services Policy and Contracts

## Full-benefit Membership by Population (as of June 30, 2025)



Full-benefit Enrollment: Approx. 1.05 million





#### **Advisement: Nursing Facility Rate Update**

Nika Simmons, Chief of Reimbursements

## Background

- Update the private and the non-state-owned governmental Medicaid nursing facility payment rates effective Oct. 1, 2025.
- To establish the Oct. 1, 2025, Medicaid nursing facility payment rates, SCDHHS used the fiscal year-end (FYE) 2024 Medicaid cost reports as the baseline starting point for Oct. 1, 2025, rate-setting purposes.



## Changes

- Effective for services provided on or after Oct. 1, 2025, the following adjustments to the methodology will be implemented:
  - ➤ Updating the cost center standards using the most recent cost report data available (FYE Sept. 30, 2024) to 90% minimum occupancy, as well as determining both the General Services standards and Laundry, Housekeeping and Maintenance standards at 105% of the mean.
  - ➤ The minimum occupancy factor used to determine individual Medicaid reimbursement rates effective Oct. 1, 2025, is 90%. The cost of capital reimbursement calculation remains at 90% minimum occupancy.



#### Changes (cont.)

- ➤ The percent skilled used in establishing each nursing facility's Oct. 1, 2025, Medicaid reimbursement rate will be based upon state fiscal year (SFY) 2025 Medicaid paid days.
- ➤ To account for another year of inflation to the base year Sept. 30, 2024, cost reporting period, a trend factor of 2.6% was applied in the calculation of the Oct. 1, 2025, rate. The trend rate was obtained from the Revenue and Fiscal Affairs Office.
- ➤ Authorizing 4,075,928 Medicaid Permit Days to be permitted by the South Carolina Department of Public Health (DPH) for SFY 2026.



## **Budget Impact and Effective Date**

#### **Budgetary Impact:**

 Annual aggregate expenditures will decrease by approximately \$1.5 million total dollars.

#### **Effective Date:**

• On or after Oct. 1, 2025

#### **Public Comment**

MAC members and all other attendees who wish to comment, please use the chat feature now.





## Advisement: Payment Methodology Updates for Graduate Medical Education (GME)

Noelle Wriston, Director of Pricing

## **Background**

• SCDHHS will update the method for reimbursing GME expenses from a claims-based method to a per resident method effective Oct. 1, 2025.

#### **Updates to the GME Reimbursement Methodology**

- Effective Oct. 1, 2025, SCDHHS is creating three new GME programs and transitioning away from its historical claims-based reimbursement structure.
  - ➤ South Carolina GME Program: This program provides per-resident full-time employee funding to support existing GME costs using a standardized statewide methodology.
  - ➤ Optional Public Hospital GME Program: This voluntary program offers public hospitals the opportunity to further support the cost of GME in South Carolina.



## Updates to the GME Reimbursement Methodology (cont.)

- Physician Residency Incentive Program: This program is designed to increase the number of physicians trained in high-need specialties, with particular focus on improving access to care for the Medicaid population and underserved communities. The program provides financial incentives to hospitals that expand their residency training capacity in strategically selected specialties facing the most significant workforce shortages.
- The agency will remove GME components from the outpatient multipliers and inpatient per discharge rates.



## **Budget Impact and Effective Date**

#### **Budgetary Impact:**

• The budget impact of the GME reimbursement methodology update is estimated to be \$74.7 million total dollars.

#### **Effective Date:**

• Updates to the GME methodology will be effective Oct. 1, 2025.



#### **Public Comment**

MAC members and all other attendees who wish to comment, please use the chat feature now.





## Advisement: Payment Methodology Updates for Inpatient Hospital Services

Leslie Jones, Actuary

## **Background**

• SCDHHS will update the classification system used to reimburse inpatient hospital services from version 32 of the Solventum<sup>TM</sup> (formerly 3M<sup>TM</sup>) All Patient Refined Diagnosis Related Groups (APR-DRGs) classification system to version 42 of the APR-DRGs classification system effective Oct. 1, 2025.



## **Updates to the APR-DRG Classification System**

- Version 32 of the APR-DRG classification system was implemented Oct. 1, 2015.
- The APR-DRG classification system is updated each year to reflect changes in International Classification of Diseases (ICD) codes and changes in clinical logic (i.e., which diagnoses and procedures should drive assignment of a stay to a specific DRG).
- Version 42 of the APR-DRG classification system will be implemented effective Oct. 1, 2025.



#### Updates to the APR-DRG Classification System (cont.)

- The following parameters will be updated:
  - ➤ APR-DRG payment parameters, including relative weights, average length of stay and outlier thresholds
  - Provider payment parameters, including inpatient base rates, cost to charge ratios for outlier calculations and case mix index
- Qualified providers of inpatient hospital services paid by APR-DRGs include general acute care hospitals (including distinct part units of general acute care hospitals) and long-term acute care hospitals.



## **Budget Impact**

#### **Budgetary Impact:**

• The updated hospital specific base rates and other payment system parameters under version 42 of the APR-DRG classification system were modeled to achieve budget neutrality relative to the current payment system based on version 32 of the APR-DRGs, for each hospital individually and in the aggregate for all hospitals, across both the FFS and the managed care programs.



#### **Effective Date**

#### **Effective Date:**

 Updates to the inpatient and outpatient hospital services payment methodology will be effective Oct. 1, 2025.



#### **Public Comment**

MAC members and all other attendees who wish to comment, please use the chat feature now.





#### **Advisement: Changes to Estate Recovery**

Denise Benson
Estate Recovery Program Manager

## **Background**

- In 1993, Congress passed a law requiring every state to establish a Medicaid estate recovery program.
- The purpose is to recover funds paid by SCDHHS from a Medicaid member's estate for claims related to hospice, community long-term care and nursing home care.

## Changes

- In certain circumstances, a waiver may be granted to the immediate family. The new policy will expand the definition of immediate family member to include grandchild.
- SCDHHS will also remove the duplicative language of the definition of a disabled child.

## **Budget Impactive and Effective Date**

#### **Budgetary Impact:**

SCDHHS does not anticipate a budget impact for this policy change.

#### **Effective Date:**

Aug. 1, 2025



#### **Public Comment**

MAC members and all other attendees who wish to comment, please use the chat feature now.





## Advisement: Managed Care Organization (MCO) Carve-In for Prime/Duals and Certain Waivers

Scott Timmons, Chief of Managed Care

#### Background

- SCDHHS' Strategic Plan commits to optimizing best practice in Medicaid managed care by completing a transition to near 100% managed care by SFY 2029
- Phase One of this effort includes the sunsetting of the Prime Program, members who receive both Medicare and Medicaid, and members receiving certain waiver services.
- Two authority changes will be required from CMS
  - 1915(b)(1)
  - State Plan Amendment

#### Changes

- SCDHHS will seek 1915(b)(1) waiver authority to allow for the mandatory assignment of full-benefit dual eligible (Medicare and Medicaid) individuals into the managed care delivery system.
- Upon approval, the following populations will be mandatorily assigned to one of the five SCDHHS-contracted managed care plans:
  - Full-benefit Medicare/Medicaid dual eligible members aged 18 and up
    - Including those who reside in or transition to a Nursing Facility
    - > Including those also enrolled in one of the three HCBS Waiver Programs
      - > HIV/AIDS Wavier
      - Mechanical Vent Waiver
      - Community Choices Waiver
        - > Waiver services will still be operated and reimbursed under Fee-for-service and the MCOs will cover the medical services covered under the State Plan
    - Current members enrolled in the Centers for Medicare and Medicaid Services (CMS) Section 1115 duals wavier demonstration program – South Carolina Healthy Connections Prime



#### Changes (cont.)

- Additionally, SCDHHS is seeking to amend the state plan to allow for mandatory managed care assignment for the following non-dual populations
  - Members that are 18 and over who are in one of the three HCBS waivers
    - Community Choices
    - > HIV-AIDS
    - Mechanical Vent
  - Members age 18 and over who are residing in or who are transitioning into placement in a nursing facility
    - Waiver services will still be operated and reimbursed under Feefor-service and the MCOs will cover the medical services covered under the State Plan



#### **Background**

- SCDHHS will transition current Centers for Medicare and Medicaid Services (CMS) Section 1115 waiver demonstration duals into the managed care delivery system.
  - Current CMS 1115 demonstration, known as South Carolina Health Connections Prime
- Full-benefit Medicaid dual eligible members
- Members age 18 and over in certain waiver programs
  - Community Choices (CC)
  - > HIV/AIDS
  - Mechanical Ventilator Dependent (Vent)
- This transition is a phased approach which will first make MCOs responsible for Medicaid State Plan services. Responsibility for waiver services, such as long-term services and supports, will continue to be managed and paid for under the fee-for-service program. The services will be carved-in to managed care in later phases.



#### Changes

- SCDHHS will submit a 1915(b)(1) waiver application to CMS for the authority to make dual eligible members mandatory for managed care assignment.
- A state plan amendment will be submitted for 3.1-F, which will allow mandatory managed care assignment for populations that currently may not be assigned to managed care, such as members who are enrolled in the CC, HIV/AIDS or Vent home and community-based services waiver programs.



#### Changes (cont.)

- Phase One will initiate the alignment of services through Highly Integrated Dual Special Needs Plans (HIDE-SNPs) and allow Medicaid managed care plans in the state to gain experience in managing populations that need a higher level of case management and integrated care.
- During this phase, not all dual enrollees will be transitioned into an MCO that operates under an aligned Medicaid MCO and Medicare HIDE-SNP plan.
- SCDHHS will align where possible in the early stages, and over the next five years, it will utilize Medicare final rulemaking to move toward a growing percentage of integration and alignment.



#### **Budget Impact and Effective Date**

#### **Budget Impact:**

- Through the submission of the waiver, SCDHHS assures the following:
  - SCDHHS fiscal staff has reviewed cost-effectiveness analysis and assures that the actual waiver costs will be less than or equal to the waiver cost projection
  - Capitated rates will be set following requirements of 42 CFR 438.6(c) and will be submitted to CMS for approval
  - Capitated services will be set in an actuarily sound manner
  - SCDHHS will monitor, on a regular basis, the cost-effectiveness of the waiver. If changes are needed, SCDHHS will submit a prospective amendment modifying the Waiver Cost Projections
  - The state will submit quarterly actual member month enrollment statistics

#### **Effective Date:**

• On or after Jan. 1, 2026



#### **Public Comment**

MAC members and all other attendees who wish to comment, please use the chat feature now.





## Advisement: Increase to Opioid Treatment Program Rates

Margaret Alewine, Chief of Policy

#### **Background**

- Opioid treatment programs (OTPs) provide medically necessary treatment to eligible Medicaid members with a diagnosis of opioid use disorder.
- These services are provided in a clinic that is approved to render methadone maintenance therapy by the Drug Enforcement Administration and is accredited by the Substance Abuse and Mental Health Services Administration.
- OTPs are reimbursed a weekly bundled rate for eligible members which encompass the following services:
  - Care coordination,
  - > Counseling,
  - Medication management,
  - > Nursing services related to medication administration,
  - > Drug screens and
  - > Drug costs (opioid agonist treatment medications, bundled rate varies by medication used).



#### **Proposed Changes**

- SCDHHS proposes an increase in the weekly rate of the two most highly utilized OTP procedure codes.
  - > G2067 Medication Assisted Treatment with Methadone
  - ➤ G2068 Medication Assisted Treatment with Buprenorphine
- Rates will be set at 72% of the 2025 Medicare rates



#### **Budget Impact and Effective Date**

#### **Budgetary Impact**

• SCDHHS anticipates an estimated budget impact of \$13.5 million total dollars for FFS and MCO.

#### **Effective Date**

• On or after Oct. 1, 2025.

#### **Public Comment**

MAC members and all other attendees who wish to comment, please use the chat feature now.





# Advisement and Policy Update: Revised Fee Schedules and Updates for Rehabilitative Behavioral Health Services (RBHS) and Licensed Independent Practitioners (LIPs) Provider Manuals

Margaret Alewine, Chief of Policy

#### Background

- RBHS are provided by both LIPs and RBHS-enrolled organizations.
- Historically, RBHS and LIP providers have followed two separate fee schedules and two distinct provider manuals for Healthy Connections Medicaid guidelines and service definitions.
- Additionally, rates for corresponding procedure codes have varied, resulting in misalignment across fee schedules.

#### **Proposed Changes**

- To improve alignment and streamline service definitions for consistency across manuals, policy updates will include the following:
  - Unified service definitions that guide services rendered by both RBHS and LIP providers;
  - Updated language reflecting current trends and best practices in behavioral health; and
  - Aligned rates for services delivered by both RBHS and LIP providers, allowing for a unified fee schedule for core behavioral health services.

- Additional changes include aligned rates for services delivered by both RBHS and LIP providers, allowing for a unified fee schedule for core behavioral health services.
- SCDHHS proposes to align certain RBHS, LIP and OSUS reimbursement as follows:
  - > For procedure codes that exist on the current SC Local Education Agency (LEA) School-Based Mental Health Services Fee Schedule, rates will be benchmarked to a percentage of the Licensed Clinician school-based rate
    - > 80% for diagnostic evaluation and assessment codes 90791 and H0031
    - > 75% for all other applicable codes
  - > For selected community-based procedure codes that are currently reimbursed at the same rate for RBHS, OSUS and LIP, a three-year inflationary adjustment of 12.4% will be applied
  - > For selected community-based procedure codes that are currently reimbursed at varying rates for RBHS, OSUS, and LIP, the rates will be benchmarked to the current RBHS rate (including a three-year inflationary adjustment)



#### **Budget Impact and Effective Date**

#### **Budgetary Impact**

• SCDHHS anticipates an estimated budget impact of \$15.4 million total dollars.

#### **Effective Date**

• On or after Oct. 1, 2025.



#### **Public Comment**

MAC members and all other attendees who wish to comment, please use the chat feature now.





## Policy Update: Autism Spectrum Disorder (ASD) Services Provider Manual

Margaret Alewine, Chief of Policy

#### **Background**

 Effective Sept. 1, 2025, SCDHHS will update its ASD Services Provider Manual to reflect changes in the medical necessity requirements for ASD treatment services for eligible South Carolina Healthy Connections Medicaid members ages 0 to 21 years of age.



#### **Proposed Changes**

- The term "Comprehensive Psychological Evaluation" will be replaced with "Comprehensive Diagnostic Assessment" (CDA).
  - > This reflects the increased range of clinicians able to determine medical necessity.
- The CDA must be directly administered and completed by one of the following providers: licensed physicians (MD/DO), licensed psychologists (PhD, PsyD) or licensed psychoeducational specialists (LPES).
  - > This represents a change in scope by allowing licensed physicians with appropriate training to determine medical necessity for Medicaid-reimbursed ASD services, including applied behavioral analysis (ABA).



- The CDA must include a structured observation to support the diagnostic criteria outlined by the most recent version of the Diagnostic and Statistical Manual of Mental Disorders (DSM) using one of the following validated tools, adding flexibility to ASD assessments:
  - Autism Diagnostic Interview, Revised (ADI-R)
  - Autism Diagnostic Observation Schedule (ADOS)
  - Childhood Autism Rating Scale (CARS)

- The Medical Care Home Autism Assessment will be an approved option for primary care physicians to determine medical necessity for members with preexisting Individuals with Disabilities Education Act academic designations of ASD; pre-existing DSMsupported diagnoses of ASD completed out-of-state; or, for certain members between 18-36 months of age, following a two-tiered screening process and documentation of a high-risk score obtained through physician administration of one of the following validated secondary autism screening tools:
  - Rapid Interactive Test for Autism in Toddlers (RITA-T)
  - Screening Tool for Autism in Toddlers (STAT)



- Children aged 18-36 months of age may be presumptively eligible for ABA while awaiting a CDA, if determined to be "at-risk" by a validated secondary autism screener, the RITA-T or the STAT, when administered directly by their primary care physician.
- The member will be considered presumptively eligible for ABA up to six years of age, by which time a CDA must be completed and confirm a DSM diagnosis of ASD for continued ABA services.

#### **Public Comment**

MAC members and all other attendees who wish to comment, please use the chat feature now.





#### 1915(c) HCBS Waiver Amendments

Margaret Alewine, Chief of Policy

#### **Background**

- SCDHHS intends to file waiver amendments with CMS for the following 1915(c) waivers operated through the SCDHHS Bureau of Policy:
  - > CC (SC.0405)
  - > HIV/AIDS (SC.0186)
  - > Vent (SC.40181)
  - Medically Complex Children (MCC) (SC.0675)
- The Community Supports (CS) (SC.0676), Head and Spinal Cord Injury (HASCI) (SC.0284) and Intellectual Disability and Related Disabilities (ID/RD) (SC.0237) waivers operated by the South Carolina Department of Behavioral Health and Development Disabilities' Office of Intellectual and Developmental Disabilities (OIDD) will also be amended.

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#### **Proposed Changes**

- CC, HIV/AIDS, Vent waivers:
  - > Discontinuation of the Financial Alignment Initiative (FAI)
    - > Healthy Connections Prime
- CC waiver:
  - Participant access and eligibility
    - Addition of a "point-in-time" count for number of participants served



#### **Healthy Connections Prime**

- CMS has new rules for health plans serving people who are eligible for both Medicare and Medicaid.
- To comply with these rules, SCDHHS is ending the FAI, known as Healthy Connections Prime program demonstration, effective Jan. 1, 2026. As a result, SCDHHS is removing all requirements related to the Healthy Connections Prime demonstration from the waiver application.

#### Healthy Connections Prime (cont.)

- Removal of the Healthy Connection Prime demonstration will not adversely impact current waiver participants.
- For members currently receiving HCBS through the Prime demonstration, the FFS Medicaid will honor service levels/limits established by the current Medicare/Medicaid plans for one year after the transition.
- Remaining Healthy Connections Prime benefits will be the responsibility of the member's D-SNP and/or MCO according to the policies of benefit coordination.

#### **Participant Access and Eligibility**

- CMS requires states to indicate the number of members it intends to serve per waiver year.
  - > This number will constitute a limit on the size of the waiver program.
- Over the past three decades, the number of participants served in the CC waiver has increased steadily.
- Effective on or after Nov. 1, 2025, SCDHHS intends to align the number of members served to a "point-in-time" count based on state appropriation.



#### Participant Access and Eligibility (cont.)

- The "point-in-time" number will account for all members currently enrolled in the waiver.
  - > It will not adversely impact those currently enrolled in the waiver.
  - > All participants currently enrolled will maintain their slots.
- Applicants seeking to enroll in the waiver will be selected based on prioritization criteria ensuring those with the greatest medical need enter the waiver before other applicants.
  - Reserve capacity will be built in for institutional transitions, MCC waiver transitions, applicants at risk for serious and imminent harm and transitions of individuals with serious mental illness who live in community residential care facilities.



#### **Other Proposed Changes**

- Additionally, SCDHHS is seeking to amend the CC, HIV/AIDS and Vent waivers to include the following changes:
  - > Modified standards for the Home Delivered Meals service to align with internal scopes of service.
  - ➤ Updating South Carolina Department of Health and Environmental Control (DHEC) references to DPH



#### Other Proposed Changes (cont.)

- For all 1915 (c) HCBS waivers administered by the state, SCDHHS is updating the following critical incident types and definitions to align with the CMS Access Rule.
  - > Verbal, physical, sexual, psychological or emotional abuse
  - > Neglect
  - > Exploitation including financial exploitation
  - Misuse or unauthorized use of restrictive interventions or seclusions
  - ➤ A medication error resulting in a telephone call to, or consultation with a poison control center, an emergency room visit, an urgent care visit, hospitalization or death
  - > An unexplained or unanticipated death, including but not limited to death caused by abuse or neglect.



#### Other Proposed Changes (cont.)

- SCDHHS will add the following critical incident types to list of reportable incidents:
  - > Behavioral health crisis
  - > Choking
  - > Fire
  - > Law enforcement involvement
  - > Medication errors
  - > Peer-to-peer incidents
  - > Rights violation
  - > Serious illness
  - > Suicide attempt



#### **Background**

- SCDHHS will amend the ID/RD, CS and HASCI waivers to:
  - Revise critical incident management protocols to align with CMS Access Rule
  - Update the name of DHEC references to DPH
  - Update service definitions in the ID/RD waiver for utilization of remote monitoring and enabling technology in provider operated settings
  - Update point in time number served and reserved capacity totals and add reserved capacity in the ID/RD and HASCI waivers for participants in the Home Again program (Money Follows the Person)
  - Update the name of the Department of Disabilities and Special Needs to OIDD within the Department of Behavioral Health and Developmental Disabilities
  - Correct and clarify specifications and data sources for waiver performance measures



#### **Budget Impact and Effective Date**

#### **Budgetary Impact**

- These amendments are not expected to have a budgetary impact.
- For the CC, ID/RD, CS, and HASCI waivers, the appropriation allocated by the General Assembly will determine the number of participants that can be served.

#### **Effective Date**

- The point in time number served and reserved capacity updates will be effective on or after Nov. 1, 2025.
- The discontinuation of the FIA, known as Healthy Connections Prime, is effective on or after Jan. 1, 2026.
- All other waiver amendment changes will be effective on or after Nov. 1, 2025.



#### **Public Comment**

MAC members and all other attendees who wish to comment, please use the chat feature now.





#### **Policy Updates**

Margaret Alewine, Chief of Policy

#### **Physician Services Provider Manual Updates**

- SCDHHS is issuing the following policy updates and clarifications for the Physician Services Provider Manual effective for dates of service on or after Sept. 1, 2025:
  - SCDHHS will require prior authorization for genetic testing of spinal muscular atrophy: CPT 81329, 81336, 81337
  - > SCDHHS will no longer require a prior authorization for medical justification of circumcision of members 28 days or older: CPT 54161





