July 2020 Coverage and Reimbursement Changes

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The South Carolina Department of Health and Human Services (SCDHHS), in its continuing effort to purchase the most health for our citizens in need at the least possible cost to the taxpayer, routinely evaluates the services provided through the South Carolina Healthy Connections Medicaid program and the payments issued to providers for delivering those services. As a result of these efforts, several benefit and reimbursement changes are being implemented on July 1, 2020. While much of this information has been previously announced through other avenues,this bulletin reflects an effort to provide a comprehensive account of these changes. Additional details and provider resources are available on SCDHHS' website (www.scdhhs.gov) and in the Medicaid provider manuals.

Benefit Enhancements for Children in Foster Care

Coverage for Therapeutic Foster Care

Beginning July 1, 2020, SCDHHS will reimburse child-placing agencies contracted with the South Carolina Department of Social Services (SCDSS) for therapeutic foster care (TFC).

TFC is an inclusive community support service that will be reimbursed on a per diem basis. TFC will replace billing for Psychosocial Rehabilitation Services (PRS). PRS may not be provided during an episode of care in which TFC services are provided (i.e., during a TFC placement).

Per diem units of TFC may not exceed the number of calendar days in the month. TFC must be billed at the level assigned on a "Universal Application" generated by SCDSS to place a child in a therapeutic foster home.

TFC should be billed using the Healthcare Common Procedure Coding System (HCPCS) billing code S5145 with the modifiers indicated in the table below.

Description	Modifier	Per Diem Rate
TFC Level 1	00/None	$29.95
TFC Level 2	TF	$45.57
TFC Level 3	TG	$65.10

TFC services must be rendered by licensed, custodial foster parents supervised by qualified, clinical professionals who are employed or contracted with an SCDSS-certified child-placing agency.

Reimbursement for Initial Visit for Children in Foster Care

Beginning July 1, 2020, SCDHHS will reimburse for prolonged evaluation and management services before or after directed patient care when initiating a patient-provider relationship with a child in foster care. This effort is aimed at providing reimbursement for the non-direct care activities associated with an initial visit, such as record collection and coordination with various providers and state agencies.

Claims for this service should be billed with Current Procedural Terminology (CPT) code 99358 ("Prolonged evaluation and management service before and/or after direct patient care") with a modifier of "UA," which is being defined as "initial visit with patient in foster care." This code should be submitted along with the appropriate evaluation and management or well-visit code for the direct patient care component.

Reimbursement Methodology Modernization

In 2018, SCDHHS began an effort to systematically evaluate the reimbursement methodologies used to establish rates for Medicaid providers to align with the market and more accurately reflect the underlying cost of providing care. Over the first year, this project focused on reimbursement for physician, advance practice, durable medical equipment and autism spectrum disorder providers.

The second phase of the reimbursement project focused on various providers across the State Plan and Medicaid waivers. As a result of the project, the following changes will take effect on July 1, 2020:

- Vision providers will receive base fee schedule reimbursement consistent with the Medicaid physician fee schedule adopted by SCDHHS on July 1, 2019;
- Anesthesiology providers will receive base fee schedule reimbursement consistent with the Medicaid physician fee schedule adopted by SCDHHS on July 1, 2019, except that epidural reimbursement will remain at current rates;
- Private Duty Nursing providers received a 5% rate increase in January of 2020 and will receive an additional 10% rate increase effective July 1, 2020, for a total rate increase of 15%;
- Adult Day Care Transportation providers will receive a 15% rate increase;
- Pediatric Day Care rates will be updated to a 2019 wage and productivity benchmark; and,
- Attendant Care providers will receive a 5% rate increase.

The rates and methodologies reflected in this section apply to services provided to fee-for-service (FFS) Healthy Connections Medicaid members. Reimbursement for members enrolled in managed care organizations (MCOs) are governed by the contractual relationship between each MCO and its providers. Questions regarding MCO reimbursement should be directed to the MCO in which the member is enrolled.

Continuing to Address the Opioid Epidemic

Billing for Services Provided by an Outpatient Treatment Program

SCDHHS added coverage for opioid treatment programs (OTPs) in January 2019, effectively providing access to all formulations of medication-assisted treatment to Healthy Connections Medicaid members in South Carolina. Since then, the Centers for Medicare and Medicaid Services introduced a series of HCPCS codes to designate services provided by an OTP. Effective July 1, 2020, SCDHHS will transition to that code set.

The following codes will be reimbursed by SCDHHS:

New Code	Current Code	Description
G2067	H0020	Medication assisted treatment, methadone, weekly bundle
G2068	H0016	Medication assisted treatment, buprenorphine (oral), weekly bundle
G2069	N/A	Medication assisted treatment, buprenorphine (injectable), monthly bundle
G2073	N/A	Medication assisted treatment, naltrexone, monthly bundle
G2074	N/A	Medication assisted treatment, weekly bundle not including the drug
G2076	H0047	Intake activities for medication assisted treatment
G2077	H0047	Periodic assessment for medication assisted treatment

The fee schedule for the services listed above will be available at www.scdhhs.gov .

Long-acting Injectable Reimbursement for Federally Qualified Health Centers, Rural Health Clinics, and Outpatient Hospital Providers

Effective for services provided on or after July 1, 2020, SCDHHS will reimburse for long-acting injectable medications indicated for the treatment of opioid use disorder, including naltrexone for extended-release injectable suspension and buprenorphine

extended-release, outside of the encounter rate for Federally Qualified Health Centers and Rural Health Clinics. These medications should be submitted for payment and will be reimbursed as “bill-above” services.

Long-acting injectable medications will also be reimbursed as “add-on” services for reimbursement type 1 and reimbursement type 5 claims for outpatient hospital providers.

Pharmacy Benefit Changes

12-month Contraceptive Supply

Effective for dates of service beginning July 1, 2020, SCDHHS will cover an extended supply of systemic contraceptives for Healthy Connections Medicaid members. The FFS pharmacy benefit will allow, with prescriber’s indication, coverage of up to a 12-month supply of systemic contraceptives. For the purposes of this policy, systemic contraceptives include oral birth control pills, transdermal contraceptive patches and vaginal contraceptive rings. MCO coverage and formulary information is available directly from each MCO. Contact information is available here on SCDHHS’ website .

Hepatitis C Virus Pharmacy Benefit Carve-in

Effective for dates of service beginning July 1, 2020, medications used to treat the hepatitis C virus will be covered through South Carolina’s MCOs for Healthy Connections Medicaid members who are enrolled in a managed care plan. Associated pharmacy claims for members enrolled in an MCO should be submitted to the respective MCO in the customary fashion. Individual MCO coverage rules, prior authorization requirements and preferred drug classifications may apply.

Claims for FFS Healthy Connections Medicaid members should continue to be submitted to Magellan Rx Management, in accordance with the Healthy Connections Medicaid Pharmacy Services Provider Manual .

Preferred Drug List Updates

Pursuant to recommendations of the South Carolina Healthy Connections Medicaid Pharmacy and Therapeutics Committee, SCDHHS is making the following changes to the preferred drug list, which will take effect July 1, 2020:

- Attention-Deficit/Hyperactivity Disorder
- The following brands will be preferred over their generic alternative:
- Adderall XR;
- Concerta; and,
- Focalin.
- Acne Agents (Topical)
- Clindamycin/benzoyl peroxide (Generic Duac) will be added as preferred.
- Clindamycin gel/foam/lotion, Erythromycin Gel, Sulfacetamide Sodium and Benzaclin will be moved to non-preferred.

Pharmacy Reimbursement

Effective July 15, 2020, SCDHHS will update the standard basis of payment for the FFS pharmacy benefit to provide payment at the lowest of:

- The actual acquisition cost (AAC) plus a professional dispensing fee (PDF) of $10.50;
- The state’s maximum allowable cost plus a PDF of $10.50; or,
- The usual and customary charges to the general public.

The AAC is defined as the National Average Drug Acquisition Cost (NADAC). In those instances where the NADAC does not exist, the AAC is defined as wholesale acquisition cost.

Please refer any questions or concerns regarding this bulletin to the Healthy Connections Provider Service Center at (888) 289-0709.

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

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