

South Carolina
DEPARTMENT OF HEALTH AND HUMAN SERVICES
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December 14, 2010

ALL

MEDICAID BULLETIN

To: Medicaid Providers

Subject: Medicaid Reductions

The South Carolina Department of Health and Human Services (SCDHHS) projects a budget shortfall of \$228 million during the current fiscal year. This is a result of a combination of significant enrollment increases and budget reductions. In order to safeguard the financial viability of the Medicaid program and meet statutory requirements for the operation of Medicaid, SCDHHS must take prompt action to contain Medicaid costs. Current state and federal restrictions largely limit the agency's ability to make reductions apart from reducing optional state Medicaid services.

Below is a list of upcoming changes. Additional Medicaid Bulletins may be issued to provide further details. To learn more about South Carolina's Medicaid budget, current restrictions and to offer cost-saving suggestions, please visit <http://msp.scdhhs.gov/msp>.

INDEX:

- 1. Service Eliminations Effective February 1, 2011**
- 2. Service Reductions Effective February 1, 2011**
- 3. CLTC Program Service Eliminations Effective April 1, 2011**
- 4. CLTC Program Service Reduction Effective April 1, 2011**
- 5. Increased Co-Payments Effective April 1, 2011**

1. The following eliminations are effective for dates of service on or after February 1, 2011:

- **Discontinue Coverage of Podiatry services for adults**
SCDHHS will discontinue coverage of Podiatric services for beneficiaries over the age of 21.
- **Discontinue Coverage of Vision services for adults**
SCDHHS will discontinue coverage of Vision services for beneficiaries over the age of 21. Those services affected by this change include routine eye exams and refraction as well as glasses that fall within the policy limitation. Medically necessary vision services will continue to be covered. Payment of these services are subject to review by the SCDHHS Program Integrity Division.

- **Discontinue Coverage of Dental services for adults**
Dental services currently covered under the State Plan for beneficiaries aged 21 or older will no longer be covered, regardless of setting.
 - **Discontinue Coverage of Hospice care services for adults**
 - **Discontinue Coverage of routine newborn circumcisions**
SCDHHS will no longer cover routine newborn circumcisions. Medically necessary circumcisions will continue to be covered for all male beneficiaries but must receive prior approval. For additional information on this policy update, please refer to the Physicians, Laboratories, and Other Medical Professionals Manual. The most current versions of the provider manuals are maintained on the SCDHHS website at www.scdhhs.gov.
 - **Discontinue Coverage for Insulin Pumps for Type II Diabetics**
SCDHHS will only cover Insulin pumps for Type I Diabetics. For additional information on this policy update, please refer to the Durable Medical Equipment Manual. The most current versions of the provider manuals are maintained on the SCDHHS website at www.scdhhs.gov.
 - **Discontinue Coverage of Syvek patch**
 - **Discontinue Coverage of wheelchair accessories such as umbrella holder, pillows and crutch/cane holder**
SCDHHS will discontinue coverage of all non-medically necessary wheelchair accessories which include but are not limited to crutch/cane holders, umbrella holder, and similar accessories.
- 2. The following reductions are effective for dates of service on or after February 1, 2011:**
- Diabetic shoes will be reduced from two pairs per year to one
 - Diabetic shoe inserts will be reduced from six per year to three
 - Home health visits will be reduced from 75 visits to 50 visits per year
 - Individuals under 21 years of age can only receive a combined total of 75 visits per year for private rehabilitative services (speech and language therapy, occupational therapy or physical therapy)
 - Chiropractic services will be reduced from eight visits to six visits per year
 - Adult pharmacy overrides will be reduced from four per month to three
 - Power wheelchairs will be replaced every seven years instead of five
 - Adult behavioral health services will be limited to 12 outpatient visits per year

3. The following service eliminations for the Community Long Term Care (CLTC) Program are effective for dates of service on or after April 1, 2011:

- Chore service
- Appliance service
- Nutritional supplements
- Adult day health care nursing service
- Respite service

4. The following service reduction for the Community Long Term Care (CLTC) Program is effective for dates of service on or after April 1, 2011:

- Home delivered meals will be reduced from 14 to 10 meals per week

5. Increase in Co-Payments Effective for dates of service on or after April 1, 2011:

Beginning April 1, 2011, SCDHHS will increase co-pays for certain visits. However, the following categories are exempt from co-pays:

- Children under 19 years of age
- Pregnant women
- Individuals receiving Family Planning services
- Institutionalized individuals
- Individuals receiving emergency services
- Federally-recognized Native Americans

All other Medicaid beneficiaries will be subject to the following changes:

	<u>Old</u>	<u>New</u>
• Office Visits (Physician, Nurse Practitioner, Licensed Midwife)	\$2.00	\$2.30
• Chiropractor	\$1.00	\$1.15
• Home Health	\$2.00	\$2.30
• Clinic Visits	\$2.00	\$2.30
• Prescription Drugs	\$3.00	\$3.40
• Outpatient Hospital	\$3.00	\$3.40
• Non-Emergent Services in the Emergency Room	\$3.00	\$3.40
• Medical Equipment and Supplies (co-pay will vary)	\$0-3.00	\$.60-\$3.40

If you have any questions regarding this bulletin or any other Medicaid billing or policy questions, please contact your provider representative. Thank you for your continued support and participation in the South Carolina Medicaid Program.

/s/

Emma Forkner
Director

NOTE: To receive Medicaid bulletins by email, please register at <http://bulletin.scdhhs.gov/>.
To sign up for Electronic funds Transfer of your Medicaid payment, please go to:
<http://www.dhhs.state.sc.us/dhhsnew/hipaa/index.asp> and select "Electronic funds Transfer (EFT)"
for instructions.