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MEMORANDUM

TO: Executive Directors, DSN Boards
CEOs, Contracted Service Providers
Chief Financial Officers, DSN Boards and Providers

FROM: Dr. Michelle G. Fry, State Director 

DATE: March 2, 2022

SUBJECT: Delay of Transitioning to Direct Billing

As communicated by DHHS through a February 28, 2022 Bulletin, Medicaid direct fee-for-service billing for Home and Community Based (HCB) Waiver services has been delayed until April 1, 2022.

Although Medicaid direct billing is delayed, fee-for-service was implemented on March 1, 2022. To accomplish fee-for-service during the one month interim:

- DDSN will continue to be the provider of record for all HCB Waiver services.
- Providers will document all services in CDSS for day/residential (DSAL and ResLog) and the case note module in Therap for Waiver Case Management (WCM).
- The invoicing system for WCM and community day and employment services will continue to be in place and should continue to be used for services delivered in March.
- Individuals receiving residential habilitation will continue to receive band payments for the month of March. These will be distributed to providers using the normal process. Due to the timing of the decision, payments may be slightly delayed.
- At billing closeout, DDSN will calculate the revenue generated through March billings then reconcile against the band payments issued. If a provider's billings exceed the band payment, the provider will be issued payment for the difference. If billings are less than the band payment, the provider will be required pay the difference to DDSN.

At the request of providers, during the month of March, DDSN will be allowed to bill for leave days occurring during the month. This impacts providers in two distinct ways:

1. The ability to bill leave days may increase a provider's overall billing revenue.
2. The number of leave days billed in March will be deducted from the prorated leave days available to an individual from March 1 through the end of the Plan year. (73 leave days per Plan year may be billed for each Waiver participant. These will be initially prorated from March 1, 2022 through the end of the Plan year for transition to direct billing.)

Providers are strongly encouraged to continue to prepare for the April 1, 2022 go-live date for Medicaid direct fee-for-service billing. Necessary preparations include:

- Completing the Provider enrollment process.
- Verifying and accepting all service authorizations in Therap.
- Preparing participant lists, if using the Webtool for billing.
- Setting up attendance logs in Therap, if using Therap for billing.

Please contact Lori Manos at (803) 898-9715 or lmanos@ddsn.sc.gov if you have any questions or need any assistance during this time. Thank you for your continued support to South Carolinians with disabilities.