


MEMORANDUM

TO: Executive Directors, DSN Boards of Case Management CEOs, Contracted Service Providers of Case Management, Case Management Supervisors

FROM: Lori Manos, Associate State Director of Policy 

DATE: July 11, 2025

SUBJECT: Suspension of Waiver Services During Hospitalizations

The purpose of this memo is to remind case managers of the requirement to suspend waiver services during periods of hospitalization by the waiver participant. According to policy, when a waiver participant is hospitalized, the only waiver services that can remain authorized are (1) waiver case management; and (2) residential habilitation.

Waiver case management services may continue to be authorized and provided to allow the waiver case manager to appropriately plan for the participant's hospital discharge, including assessment of, and planning for any additional service needs, and reauthorization of prior services upon discharge. Waiver participants who are receiving residential habilitation services prior to their hospital admission may continue to be authorized for this service **if** the participant is expected to return to the placement. This allows the residential habilitation provider to bill available residential leave days in order to preserve the participant's placement.

A recent review by the South Carolina Department of Health and Human Services revealed that for a number of waiver participants, waiver services, and participant-directed waiver services in particular, were billed during hospitalization. It is important for case managers to ensure that apart from waiver case management and residential habilitation, all service authorizations are ended during periods of hospitalization, and the Notice of Service Suspension is provided to the waiver participant or legal guardian. Further, it is important for case managers to remind waiver participants and their caregivers that services other than the aforementioned, cannot be provided while the participant is hospitalized.

Annually, case managers are required to review the Acknowledgement of Rights and Responsibilities form for the respective waiver with each waiver participant. One of the waiver participant's responsibilities included on this form is "I will notify my Waiver Case Manager immediately if I am admitted to the hospital. I understand while I am in the hospital, all services must be suspended except Waiver Case Management or Residential Habilitation (if applicable)." As case managers review this document with waiver participants and their caregivers, please stress the importance of this requirement and ensure it is understood before the form is signed. Upon

notification of a waiver participant's hospitalization, please follow up to end authorizations as appropriate, and provide the Notice of Service Suspension.

Thank you for your continued efforts to ensure waiver participants receive services as outlined in policy and make them aware of their responsibilities as service recipients. Questions regarding this memo may be directed to Melissa Ritter, Director of Special Services, at mrutter@ddsn.sc.gov.