

October 2025



<https://ed.sc.gov/districts-schools/medicaid/>

Medicaid Updates

Medicaid Annual Notification Form Updated

The [Medicaid Annual Notification Form template](#) has been updated. The template is now available on the Office of Medicaid Services' (OMS) [webpage](#). Previous fields to capture student information such as the student's Medicaid ID has been removed. The only student information that is now required to be captured on the document is the students' name. The updated template is also available in EdPlan. Requests for assistance with locating the document in EdPlan should be made to the Office of Special Education Services (OSSES).

As districts are aware, Part B of the Individuals with Disabilities Education Act (IDEA) requires public agencies to 1) obtain a one-time written consent from the parent before accessing the child's or the parent's public benefits or insurance for the first time and 2) provide written notification to the child's parents before accessing the child's or the parent's public benefits or insurance for the first time and prior to obtaining the one-time parental consent and annually thereafter. Please ensure that you adhere to these requirements. Should you have any questions or concerns regarding the document changes or IDEA requirements, please reach out to the Office of Special Education Services (OSSES).

Managed Care Organizations (MCO) Quality Assurance Reviews

SCDHHS has given approval to their contracted managed care organizations (MCOs), Absolute Total Care, Blue Choice (Healthy Blue), Humana Healthy Horizons, Molina, Select Health (First Choice), to begin conducting quality assurance reviews of each MCOs' enrolled rehabilitative behavioral health service (RBHS) providers which includes Local Education Agencies (LEAs). The OMS is aware that Select Health (First Choice) has begun conducting reviews/audits of LEAs and has completed the review of at least four (4) LEAs. Please do not be alarmed if a MCO that you're enrolled with notifies you of an intended review/audit and requests documentation. Please review and respond to any communication and request made by a MCO and be sure to meet the deadline(s) given. If you have any questions, do not hesitate to reach out to the MCO with your questions and concerns. Not responding to the MCO's request will not benefit your district or your review.

Quality Assurance (QA)

QA Review Trends

The following are the most common findings in QA reviews so far for the 2025 – 2026 review year:

- Referrals: The referring provider's title must be included on all referrals.
- Signatures: All documentation (i.e., referrals, evaluations/reevaluations, clinical service notes, and progress summaries) must include the date the provider signed the document.
- Individualized Health Plan (IHP): IHPs must be completed, signed, titled and dated by the Registered Nurse (RN) prior to the first day of service.
- Error Corrections: The student's clinical record is a legal document. Appropriate procedures for the correction of errors in legal documents must be followed. Draw one line through the error, enter the correction and add signature/initials and date next to the correction.
- Progress Summaries: Progress summaries must be completed at least once every three months from the start date of treatment and must record the student's attendance for each therapy session.
- Personnel Records: Evidence of exclusion checks from Medicare or Medicaid programs must be completed prior to the start of employment and annually thereafter. The exclusion checks must be date stamped for the year in review.
- Nursing: Rest and observation are non-billable for Medicaid purposes. Observation is included in the direct services payment.

QA Review Process

The QA review process will be carried out by the OMS for academic school year 2025 - 2026 as outlined below:

- All school districts will be reviewed during academic school year (SY) 2025 – 2026 for services rendered during academic school year 2024 – 2025.
- Each district will be notified of their review date at least four weeks prior to the review date.
- The OMS will randomly select the Medicaid students whose file(s) will be reviewed. A list of the students' names and services to be reviewed will be provided to the district.
- Two (2) additional files will be requested 24 hours prior to the onsite review.
- Based on the requirements of the Local Education Agency (LEA)/South Carolina Department of Health and Human Services (SCDHHS) contract, the OMS will:
 - review at least two files for each rehabilitative service provided by the district,
 - review at least one file per rehabilitative behavioral health service provided by the district,
 - review one Special Needs Transportation (SNT) file per district, and
 - review two School District Administrative Claiming (SDAC) participants per district, if activity code GR was coded for the random moment sample (RMS).
- A minimum of 12 files will be reviewed. For example, if only nursing services are billed by a district, 12 nursing files will be reviewed, if only occupational and physical therapy services are billed by a district, six occupational therapy and six physical therapy services files will be reviewed.

- The review period is for the entire academic year (i.e., July 1st – June 30th).
- The OMS Education Associate (EA) will discuss the findings of the review and answer questions during the exit conference.
- The OMS will provide technical assistance during the exit conference and districts will be given the opportunity to ask questions specific to the PowerPoint trainings available on the OMS webpage.

QA Review Process- Districts Responsibilities

To ensure that each district's QA review is conducted as efficiently and successfully as possible, please be reminded that:

- ISAs must be completed and submitted at least two (2) weeks prior to the QA review date, and the ISA must consist of the following components:
 - random sampling of records to include at least one record for each SBRS,
 - and RBHS rendered by the district,
 - examination of records related to SDAC and SNT,
 - assessment of compliance with Medicaid standards, policies, and
 - procedures,
 - evaluation of credentials of staff, and
 - review of the Medicaid billing operation.
- The results of the district's self-assessment must be captured in the ISA section of the QA Application, underneath the "Discrepancies in Services and Billing" tab.
- All documentation requested must be submitted to the OMS on or before the review date.
- Once the EA completes the review of the students' file, an exit conference will be scheduled to discuss the results and findings of the review with the district. The district will have seven (7) calendar days to review and accept the follow-up report.
- Corrective action plans (CAPs) must be submitted within 30 days from the date that the district accepts the OMS' follow-up report via the QA Application.
- The 2025 – 2026 Corrective Action Plan (CAP) Overview training has been posted on the OMS [webpage](#) to assist districts with CAP completion.
- The OMS' will respond to the CAP submitted by each district, and districts must follow up, if needed.
- All documents (i.e., follow-up report and CAP) that must be completed and accepted/submitted by the district must be done no later than May 15th.

If you have any questions, please contact your assigned EA or the OMS at medicaidservices@ed.sc.gov

School District QA Preparation Guide

The [2025 – 2026 School District QA Preparation Guide](#) has been posted to the OMS webpage. Please review the School District QA Preparation Guide prior to the district's scheduled QA review date. The preparation guide provides all information needed to assist districts through the QA review process. Should you have any questions after reviewing the preparation guide, please reach out to your district's assigned EA as soon as possible.

Quality Assurance Review Checklists

The [2025 – 2026 SY QA review checklists](#) have been posted to the OMS' webpage. The following are significant checklist changes for the 2025 – 2026 SY:

- [School District Administrative Claiming \(SDAC\) Checklist](#): The QA team will begin reviewing the SDAC Referral Form that is required to be completed by sample participants when a random moment sample (RMS) activity is coded as GR. Currently, the SDAC Application requires sample participants to download, complete, and save the SDAC Referral Form within the district's file. The SDAC Referral Form must be provided to the QA team for selected sample participants.

At least two (2) SDAC sample participants from each district who coded their random moment sample as GR, will be selected for review, if applicable. The selected SDAC sample participants will be identified on the student list which is sent with the 30-day notification to the district's DEIMS assigned Medicaid Coordinator. If there were no activities coded GR by a district's sample participants during the 2024 -2025 school year, the QA team will not request supporting documentation.

- [Audiology Checklist](#): The Treatment Plan and Progress Summary Note sections have been removed from the Audiology checklist. SCDHHS will be updating the LEA manual to reflect this change in the near future, which will document the exclusion of audiology services from requiring a treatment plan and progress summary notes.

Please be sure to review the checklists and utilize the checklists for your district's internal self-assessment (ISA). If you have any questions or concerns, please contact your district assigned EA.

QA Application Updates

The OMS' QA Application is utilized to track and complete the review of school districts throughout the state. This QA Application also houses all QA related documentation (i.e., Internal Self-Assessment (ISA), Checklists, Follow-Up Report, Corrective Action Plan (CAP), and supporting service documentation). The following changes have been made to the QA Application for the 2025 – 2026 SY:

- Document Upload Tab
 - "Proof of Implementation" must now be selected from the "Document Type" drop-down menu when uploading documents to support the CAP after the CAP has been submitted.
 - When uploading documentation into the QA Application, please select 2025 – 2026 as the review year.
 - For guidance specific to uploading documents into the QA Application, please review the 2025 – 2026 School District QA Preparation Guide which will be available on the OMS webpage on or before July 31, 2025, as stated previously.
- Internal Self-Assessment (ISA) Tab
 - Service Information Section
 - Districts will no longer be required to enter totals in the columns titled "# Total Providers Rendering Service" and "# Total Medicaid Students"

Receiving Services” for the School District Administrative Claiming (SDAC) service. These field for these two columns will now be automatically populated with “N/A.”

- Districts will no longer be required to upload the subcontract(s) when it is indicated that the district subcontracts with a provider in the Service Information section of the ISA tab. The subcontract will now be uploaded into the Contracts Section.
- District Contacts Section
 - The District Contacts section will be removed from the QA Application as contact information within the District and Entity Information Management System (DEIMS) is utilized to communicate with appropriate district staff.
- Contracts Section
 - The column heading previously titled “RBHS” has been changed to “SCDHHS SBRS/RBHS Contract” as the two contracts have been consolidated into one contract with the SCDHHS. Districts must continue to upload the contract when prompted.
 - The column heading previously titled “RBHS Subcontract” has been changed to “RBHS Subcontract (if applicable).” If the district subcontracts for RBHS services, the district must upload the RBHS subcontract.

If you have any questions or concerns about the QA Application updates, please contact your district’s assigned EA.

School District Administrative Claiming (SDAC)

SDAC Completion Rate

The statewide SDAC completion rate for Q1 (JAS ’25) dropped to 89%. Per the SDAC Guide we must maintain at least 85% to be in compliance.

Twenty-one (21) of the 74 participating districts fell below the 85% threshold for their district which is approximately 28% of the state's districts. Q1 - Q4 of FY25 was 88%, 95%, 94%, and 95%, respectively. We encourage each district coordinator to pay close attention to the two (2) day email notifications of upcoming RMS and the RMS Quarterly Observation Report.

Annual Fee Letters

SDAC annual fee letters have been issued to all school districts. The letters were sent via email to CFO's and SDAC Coordinators. Please ensure that a fee letter has been received by your district. If you notice that the fee letter was not received for your district, please contact Marquita Taylor at mstaylor@ed.sc.gov or 803-734-9180, or Ophelia McClary at omccclary@ed.sc.gov. SDAC fees are due by October 31, 2025.

SDAC Sample Quarter – October, November, December (OND) ’25

Distribution of second quarter (OND ’25) RMSs began on October 1, 2025. District coordinators must ensure that participants are responding to the RMS within the allotted two day timeframe. Any issues with logins, password resets, or SDAC access should be sent to Kareyah Harrison at kharrison@ed.sc.gov.

SDAC Cost Reports – July, August, September (JAS) '25

Funding entries are currently being reviewed for first quarter (JAS '25) SDAC expenses. Finance Coordinators must ensure that funding has been entered for all applicable sections and that all four sections have been closed once complete, even if no entries are made for a section. Closing the financial quarter is a requirement before costs can be reviewed and an invoice generated by the OMS. If changes need to be made to any section after closing it, please contact Marquita Taylor at mstaylor@ed.sc.gov and request that the section be reopened.

Special Needs Transportation (SNT)

SNT Student Table

The Office of Research and Data Analysis (ORDA) is continuously working on ensuring that there are no delays in transferring student data from PowerSchool into the SNT application to allow for student/bus assignments. Districts should continue to notify OMS staff when students are not being reflected in the application. Prior to contacting the OMS, please confirm that students are recorded in PowerSchool with the proper instructional setting of SE, SR, or SP.

Meetings & Trainings

2025 – 2026 Second Quarter (Q2) QA Meeting

The next QA meeting will be held virtually on Tuesday, December 2, 2025. There will be two sessions available for districts to attend. During the meeting, the QA team will provide training on nursing services (i.e., General Nursing and Individualized Health Plan (IHP)).

The quarterly meeting is open to all LEA service providers and staff (e.g., Speech Language Pathologists (SLP), Occupational Therapists (OT), Physical Therapists (PT), nurses, Medicaid Coordinators, and Medicaid Billing Clerks). Any district staff deemed appropriate by the district are welcome to attend. Please submit questions and topics that you would like to be discussed in subsequent quarterly meetings to your district's assigned EA or the OMS at medicaidservices@ed.sc.gov.

2025 – 2026 First Quarter (Q1) QA Meeting

On Wednesday, September 24, 2025, the OMS QA Team hosted the Q1 meeting in-person. The full day of training focused on a general overview of telehealth, accurately developing a Corrective Action Plan (CAP), and training for new Medicaid Coordinators. The OMS QA team would like to thank the 54 district attendees that joined us for the OMS QA First Quarter In-person Training. It was a pleasure seeing everyone face-to-face and we hope you all left with valuable information. If you have any questions, please reach out to your district's assigned EA or the OMS at medicaidservices@ed.sc.gov.

SCDHHS Provider Trainings

On Thursday, September 25, 2025 the South Carolina Department of Health and Human Services (SCDHHS) published a [bulletin](#) announcing upcoming Healthy Connections Medicaid provider training opportunities that are available October 2025 – December 2025. Training topics include Medicaid Basics, Comprehensive Web Tool, Overview of Claim-level Adjustments and Third-Party Liability (TPL), and Maximus Managed Care Enrollment Trainings. To schedule a training, please email providertrainings@maximus.com. If you have questions, please contact Michelle LeMoine at (803) 834-9956 or MichelleWLeMoine@maximus.com. To register for a workshop, please visit the Medicaid eLearning site, www.medicaidlearning.com or call the Provider Service Center (PSC) at (888) 289-0709 and select option 1. Additional training resources for providers are also available online through the Medicaid eLearning site.

2025 – 2026 Second Quarter (OND '25) SDAC Training

The OMS will hold its second quarter (OND'25) SDAC Training on Tuesday, November 18, 2025. Two sessions will be held with the first one starting at 10 AM and the second starting at 2 PM. All districts' SDAC are asked to attend the session that best suits their availability. The meeting topics will cover ways to maximize district reimbursement, how to request SDAC budget amendments for the upcoming, contract period, as well as addressing frequently asked questions and issues within both programs.

Meeting invitations will be sent via email to all district's SDAC Coordinators listed in DEIMS, so please ensure that the information provided is current. Meeting invitations can be shared with any additional staff the district deems necessary. Presentations shown during the meetings will be shared with Coordinators following the conclusion of the 2 PM meeting.

If there are any topics that district Coordinators would like discussed at the second quarter meeting, please send those requests to Kareyah Harrison at kharrison@ed.sc.gov, Ophelia McClary at omccclary@ed.sc.gov, and Marquita Taylor at mstaylor@ed.sc.gov so that we may add them to the agenda.

TELL US

What topics would you like us to address in the monthly newsletter? It is our goal to support our districts and give them all the information that they need to be successful in billing and providing Medicaid Services. Send all topics to our office email address medicaidservices@ed.sc.gov.