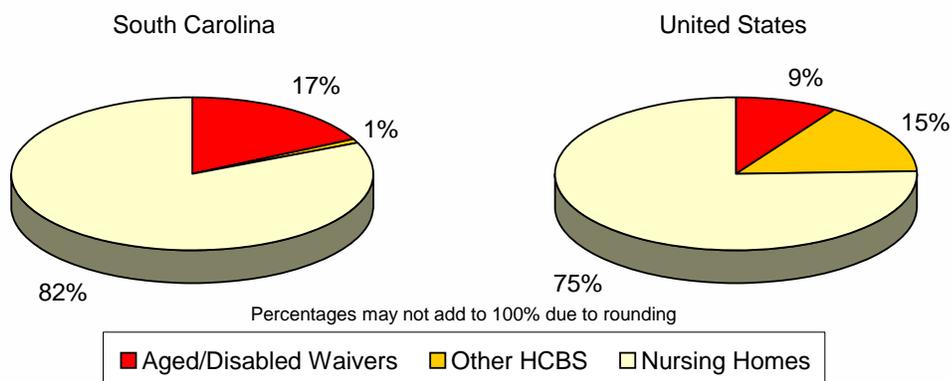


State Long-Term Care Reform in

# SOUTH CAROLINA

**Medicaid Long-Term Care Spending for Older People and Adults with Physical Disabilities in South Carolina and the U.S., 2006**



Compared to the U.S. average, South Carolina allocates a greater percentage (82 percent) of its Medicaid long-term care (LTC) spending for older people and adults with physical disabilities to nursing homes, even though most people prefer to remain in their own homes and communities. In FY 2006, South Carolina spent 17 percent on waiver services and 1 percent on personal care services (PCS).

Type of Service	Medicaid Participants <sup>1</sup>			Expenditures (millions)		
	1999	2004	Change	2001	2006	Change
HCBS	14,393	13,643	-750	\$94	\$104	+\$10
Nursing Homes	17,458	17,618	+160	\$374	\$463	+\$89

Recent Medicaid trends indicate that South Carolina still has an unbalanced LTC system for older people and adults with physical disabilities. The number of Medicaid participants receiving home and community-based services (HCBS) decreased, while the number receiving nursing home services remained relatively constant from 1999 to 2004. From FY 2001 to FY 2006, the increase in Medicaid spending on nursing homes was nearly nine times the increase in spending on HCBS (specifically, HCBS spending decreased slightly from FY 2001 to FY 2004, then increased from FY 2004 to FY 2006).

<sup>1</sup> This analysis separates Medicaid participation and spending data for older people and adults with physical disabilities from the population with mental retardation/development disabilities (MR/DD) and other LTC populations. Participants and expenditures for HCBS include all 1915(c) waivers for older people and adults with physical disabilities, and the personal care services option, if the state offers it. All participants and expenditures for nursing homes are included, regardless of the participants' type of disability or reason for admission. Excluded are participants and expenditures for intermediate care facilities for mental retardation (ICF/MR), HCBS waivers for other populations such as MR/DD, home health, and individuals receiving LTC services through managed care programs. Participant numbers include all persons receiving services during the year, not the average number on a given day; the number of nursing home participants is greater than the number of nursing home beds in each state. The average number of Medicaid nursing home residents on any given day for each state appears in the *Tables* tab at the end of the full report *A Balancing Act: State Long-Term Care Reform (#2008-10)*.

## Major Initiative

South Carolina has provided HCBS to older persons under the Community Long Term Care (CLTC) program since 1983. CLTC administers and operates four Medicaid waiver programs, one of which is the Community Choices waiver for older persons and persons with disabilities. The program had 15,740 participants in SFY 2006.

Another 2,800 persons were on the waiting list, however, and the legislature added 500 new slots, effective July 2006. These were the first additions to the CLTC program in more than seven years. An additional 500 CLTC slots were added in 2007. In recent years, the state has added three additional services to Community Choices: adult foster care, transition nursing services, and adaptive devices.

### *“Community Choices”*

*Community Choices provides HCBS to older persons under a Medicaid waiver. The waiver program also provides adult foster care, transition nursing services, and adaptive devices.*

South Carolina has used federal Systems Change grants since 2001 to develop several major LTC initiatives: a Web-based service directory (SC Access), expansion of consumer direction, and creation of centralized, one-stop entry points into the state’s LTC support system (SC Access Plus). Another grant activity, state officials said, would be identifying appropriate housing options through work with the South Carolina State Housing Authority.

South Carolina has also pioneered development of an electronic monitoring system, Care Call, that home care workers (including those providing nursing services, personal care, attendant care, and companion services) are required to use to verify delivery of services. The program was launched in a pilot region in 2002, went statewide in January 2003, and is now used in all HCBS waiver programs. In 2004, it was expanded to include adult day care and case management.

## Other Developments

**Money Follows the Person.** South Carolina was awarded a \$5.8 million, five-year Money Follows the Person Demonstration grant in 2007 to increase service levels and expand services in its waiver programs, and to explore the possibility of establishing a global budget for all Medicaid LTC services. State officials estimate they will transition up to 200 individuals over the life of the project.

**Managed Long-Term Care.** South Carolina was one of the first states to develop a PACE (Program of All-Inclusive Care for the Elderly) replication site in 1990, modeled after the original California project, On Lok. With a rural PACE grant, the state plans to expand to a second site in 2008. The new PACE provider includes both a continuing care retirement community and a Medicaid-contracted nursing facility.