

South Carolina

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1. MANAGED CARE OPPORTUNITY ASSESSMENT (UPDATED 1-7-22)

While Medicaid managed care has been available in South Carolina since 1997, it really began to take off with the state's launch of Healthy Connections Choices in 2007 and then again when the state completed the transition of its Medical Home Network/Primary Care Case Management (MHN) program into managed care on January 1, 2014.

South Carolina does not procure contracts for managed Medicaid. Plans that wish to compete submit an application. Current incumbents are Centene (Absolute Total Care and WellCare), Anthem (Healthy Blue), AmeriHealth Caritas (First Choice/Select Health of South Carolina), and Molina. Humana began serving Medicaid managed care members starting July 1, 2021, bringing the total number of Medicaid plans in the state to five. South Carolina is not 100% risk-based managed care; total Medicaid membership is approximately 1 million.

In anticipation of the 2014 conversion, Molina entered the market by acquiring certain assets of Community Health Solutions of America, including the rights to convert Community's 137,000 MHN members to full-risk managed care effective January 1, 2014. Absolute Total Care/Centene, which already had a presence in the market, acquired WellCare in January 2020. WellCare had entered the market in 2013 by buying out UnitedHealth's Medicaid business in the state. WellCare further expanded its presence through the acquisition of certain assets of another MHN plan Carolina Medical Homes and announced its completed acquisition of Advicare in June 2016. Advicare announced in July 2016 that it would be exiting the state's dual demonstration, effective August 31, 2016, after being acquired by Wellcare.

In December 2019, South Carolina received approval of an 1115 waiver to impose Medicaid work requirements on able-bodied beneficiaries; however, the Biden administration has since withdrawn this approval.

HMA Managed Medicaid Opportunity Assessment for South Carolina	
Positive Metrics	Strong Indicators
<ul style="list-style-type: none"> Although South Carolina is not an expansion state, overall Medicaid growth is up 16.8% as of year-end 2019 compared to September 2013. 	<ul style="list-style-type: none"> Effective Jan. 1, 2014, the state completed transition of its Medical Home Network/PCCM program to full-risk managed care.
Negative Metrics	Weak Indicators
<ul style="list-style-type: none"> Although there are nearly 70,000 duals eligible for the Healthy Connections Prime demonstration, only approximately 14,000 have been enrolled at year-end 2019. Average medical loss ratio at South Carolina Medicaid managed care organizations was 84.1% in 2020. 	<ul style="list-style-type: none"> The South Carolina legislature continues to oppose Medicaid expansion.
Source: HMA	

2. MANAGED MEDICAID PLAN FINANCIALS

Average medical loss ratio among five South Carolina Medicaid plans was 86.8% in 2021. PMPM premiums among the plans averaged \$309.

(Note: Financial metrics and comparisons presented in this overview are based on health plan NAIC filings in the state. Measures like per member per month premiums and medical loss ratios may vary greatly by plan and by state depending on the mix of business (e.g., TANF, ABD, etc.), scope of the state's Medicaid benefit package, geographic variations in the cost of care, and other factors.)

South Carolina Medicaid Managed Care Plan Financials, 2021

Plan	Publicly Traded	Enrollment	Member Months	PMPM	Premiums Earned (000)	Medical Costs (000)	MLR ⁽¹⁾
Absolute Total Care/Centene/WellCare of SC	N	215,154	2,765,286	\$317.74	\$878,636	\$737,766	83.7%
BlueChoice of SC/Companion	N	179,983	2,061,412	\$297.65	\$613,589	\$553,266	90.8%
Humana	Y	4,685	13,900	\$360.08	\$5,005	\$4,225	84.4%
Molina Healthcare of SC Inc.	Y	175,661	1,996,551	\$325.44	\$649,756	\$570,286	87.8%
Select Health/AmeriHealth Caritas	N	407,792	4,717,706	\$302.90	\$1,428,980	\$1,247,546	87.3%
Total, SC Medicaid Plans		983,275	11,554,855	\$309.48	\$3,575,967	\$3,113,090	86.8%

(1) After reinsurance recoveries.

Source: S&P Global Market Intelligence, NAIC, HMA

South Carolina Medicaid Managed Care Plan Financials, 2020

Plan	Publicly Traded	Enrollment	Member Months	PMPM	Premiums Earned (000)	Medical Costs (000)	MLR ⁽¹⁾
Absolute Total Care/Centene/WellCare of SC	N	231,198	2,565,882	\$337.41	\$865,755	\$739,874	86.2%
BlueChoice of SC/Companion	N	158,286	1,731,313	\$315.28	\$545,854	\$469,131	85.9%
Molina Healthcare of SC Inc.	Y	150,882	1,648,171	\$338.72	\$558,262	\$467,776	83.8%
Select Health/AmeriHealth Caritas	N	372,174	4,213,187	\$308.30	\$1,298,927	\$1,068,024	82.2%
Total, SC Medicaid Plans		912,540	10,158,553	\$321.78	\$3,268,799	\$2,744,806	84.1%

(1) After reinsurance recoveries.

Source: S&P Global Market Intelligence, NAIC, HMA

3. RFP DEVELOPMENTS AND ANALYSIS

There is no formal RFP process in South Carolina for managed Medicaid. Plans that wish to compete submit an application. However, the state did issue an RFP for its dual eligibles demonstration.

5. MANAGED CARE ENROLLMENT UPDATE

Medicaid managed care enrollment in South Carolina was up 4.3% in July 2022 compared to year-end 2021, after a 10.1% increase in 2021, a 13.9% increase in 2020, a 2.6% increase at year-end 2019, a 1.4% increase in 2018, a 1.3% increase in 2017, and an 8.3% increase in 2016. Enrollment grew by more than 57% in 2014, attributable to the transition of the state's Medical Home Network/PCCM program to managed care on January 1, 2014. WellCare had entered the market in 2013 by buying out UnitedHealth's Medicaid business in the state. WellCare announced its completed acquisition of Advicare in June 2016. Molina entered the market by acquiring certain assets of Community Health Solutions of America, including the rights to convert Community's 137,000 MHN members to full-risk managed care effective January 1, 2014. Centene acquired WellCare in January 2020.

SC Medicaid Managed Care Enrollment by Plan, 2017-21, July 2021

Plan	2017	2018	2019	2020	2021	Jul-22
Centene Total¹	113,359	111,265	122,888	226,347	231,830	236,913
<i>+/- between reporting periods</i>	<i>(6,059)</i>	<i>(2,094)</i>	<i>11,623</i>	<i>103,459</i>	<i>5,483</i>	<i>5,083</i>
<i>% chg. between reporting periods</i>	<i>-5.1%</i>	<i>-1.8%</i>	<i>10.4%</i>	<i>84.2%</i>	<i>2.4%</i>	<i>2.2%</i>
<i>% of total</i>	<i>14.8%</i>	<i>14.3%</i>	<i>15.4%</i>	<i>25.0%</i>	<i>23.2%</i>	<i>22.7%</i>
Absolute Total Care Inc./Centene ¹	113,359	111,265	122,888	134,541	231,830	236,913
<i>+/- between reporting periods</i>	<i>(6,059)</i>	<i>(2,094)</i>	<i>11,623</i>	<i>11,653</i>	<i>97,289</i>	<i>5,083</i>
<i>% chg. between reporting periods</i>	<i>-5.1%</i>	<i>-1.8%</i>	<i>10.4%</i>	<i>9.5%</i>	<i>72.3%</i>	<i>2.2%</i>
<i>% of total</i>	<i>14.8%</i>	<i>14.3%</i>	<i>15.4%</i>	<i>14.8%</i>	<i>23.2%</i>	<i>22.7%</i>
WellCare of South Carolina Inc./Advicare ¹				91,806	0	0
<i>+/- between reporting periods</i>				<i>91,806</i>	<i>(91,806)</i>	<i>0</i>
<i>% chg. between reporting periods</i>				<i>NM</i>	<i>NM</i>	<i>NM</i>
<i>% of total</i>				<i>10.1%</i>	<i>0.0%</i>	<i>0.0%</i>
Anthem/Healthy Blue	98,400	100,004	132,358	158,126	179,833	187,859
<i>+/- between reporting periods</i>	<i>6,463</i>	<i>1,604</i>	<i>32,354</i>	<i>25,768</i>	<i>21,707</i>	<i>8,026</i>
<i>% chg. between reporting periods</i>	<i>7.0%</i>	<i>1.6%</i>	<i>32.4%</i>	<i>19.5%</i>	<i>13.7%</i>	<i>4.5%</i>
<i>% of total</i>	<i>12.8%</i>	<i>12.9%</i>	<i>16.6%</i>	<i>17.4%</i>	<i>18.0%</i>	<i>18.0%</i>
AmeriHealth Caritas/First Choice/Select Health of SC	360,873	373,084	333,094	371,141	406,534	421,661
<i>+/- between reporting periods</i>	<i>10,535</i>	<i>12,211</i>	<i>(39,990)</i>	<i>38,047</i>	<i>35,393</i>	<i>15,127</i>
<i>% chg. between reporting periods</i>	<i>3.0%</i>	<i>3.4%</i>	<i>-10.7%</i>	<i>11.4%</i>	<i>9.5%</i>	<i>3.7%</i>
<i>% of total</i>	<i>47.1%</i>	<i>48.1%</i>	<i>41.8%</i>	<i>40.9%</i>	<i>40.7%</i>	<i>40.5%</i>
Molina Healthcare of SC²	112,087	116,234	127,349	151,273	175,907	183,974
<i>+/- between reporting periods</i>	<i>4,189</i>	<i>4,147</i>	<i>11,115</i>	<i>23,924</i>	<i>24,634</i>	<i>8,067</i>
<i>% chg. between reporting periods</i>	<i>3.9%</i>	<i>3.7%</i>	<i>9.6%</i>	<i>18.8%</i>	<i>16.3%</i>	<i>4.6%</i>
<i>% of total</i>	<i>14.6%</i>	<i>15.0%</i>	<i>16.0%</i>	<i>16.7%</i>	<i>17.6%</i>	<i>17.7%</i>

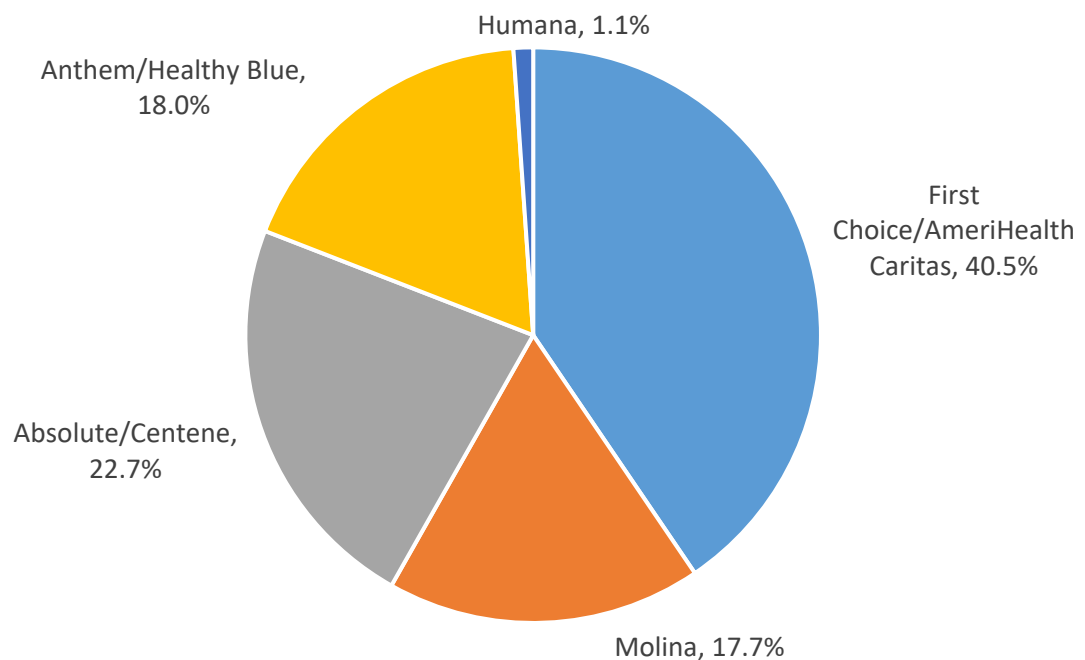
Humana³					4,668	11,502
+/- between reporting periods					4,668	6,834
% chg. between reporting periods					NM	146.4%
% of total					0.5%	1.1%
WellCare of South Carolina Inc./Advicare¹	81,068	75,710	80,854	0	0	0
+/- between reporting periods	(5,167)	(5,358)	5,144	(80,854)	0	0
% chg. between reporting periods	-6.0%	-6.6%	6.8%	-100.0%	NA	NA
% of total	10.6%	9.8%	10.2%	0.0%	NA	NA
Total South Carolina	765,787	776,297	796,543	906,887	998,772	1,041,909
+/- between reporting periods	9,961	10,510	20,246	110,344	91,885	43,137
% chg. between reporting periods	1.3%	1.4%	2.6%	13.9%	10.1%	4.3%

(1) Centene acquired WellCare in January 2020.

(2) Enrollment includes SC Solutions/Community Health Solutions members.

Source: South Carolina Healthy Connections Medicaid; HMA

South Carolina Medicaid Managed Care Market Share by Total Enrollment, July 2022



Source: South Carolina Healthy Connections Medicaid Managed Care; HMA

6. MEDICAID FEE FOR SERVICE VS. MANAGED CARE PENETRATION

Total Medicaid enrollment in South Carolina was more than 1.1 million in 2020. About 80.3% of Medicaid beneficiaries were enrolled in a managed care plan. The remainder were in fee-for-service Medicaid. (Note: HMAIS also carries CMS monthly total Medicaid enrollment reports broken down by state; click [here](#)). Total Medicaid expenditures in South Carolina were \$6.7 billion in 2020, with about 49.7% through managed care and the rest through fee-for-service.

South Carolina Expenditures and Enrollment for Total Medicaid vs. Medicaid Managed Care, 2014-20						
Year	Total Medicaid Expenditures	Medicaid Managed Care Expenditures ⁽¹⁾	Medicaid Managed Care Expenditures as % of Total	Total Medicaid/CHIP Enrollment	Medicaid MCO Enrollment	Medicaid MCO Enrollment as % of Total
2020	\$6,651,671,712	\$3,305,111,413	49.7%	1,129,165	906,887	80.3%
2019	\$6,305,731,666	\$2,964,106,810	47.0%	1,021,111	796,543	78.0%
2018	\$6,006,492,924	\$2,928,448,105	48.8%	1,021,579	776,297	76.0%
2017	\$5,963,952,005	\$2,899,329,731	48.6%	1,009,409	765,787	75.9%
2016	\$5,941,185,838	\$2,761,241,577	46.5%	1,001,103	751,701	75.1%
2015	\$5,767,691,574	\$2,661,530,888	46.1%	951,988	689,586	72.4%
2014	\$5,321,038,897	\$2,202,140,398	41.4%	983,275	744,408	75.7%

(1) Includes evaluation and management, vaccine codes, Community First Choice, and preventive services Grade A or B, ACIP vaccines and their administration, Prepaid Ambulatory Health Plans, and Prepaid Inpatient Health Plans.

Sources: CMS64 for expenditures. CMS for total Medicaid/CHIP enrollment. States, NAIC for Medicaid managed care enrollment.

7. SNPs AND DUAL ELIGIBLES

Enrollment in South Carolina's Healthy Connections Prime Medicaid coordinated and integrated care program for dual eligibles was approximately 14,000 in July 2022, down 8.6% from year-end 2021. Enrollment decreased 5.2% in 2021, and increased 12.9% in 2020, 14.3% in 2019 and 7.7% in 2018. South Carolina plans to add three Coordinated and Integrated Care Organizations to the state's Healthy Connections Prime dual eligible demonstration: Healthy Blue by Blue Choice of South Carolina, Humana, and UnitedHealthcare. South Carolina recently extended Healthy Connections Prime through December 31, 2023. Other Healthy Connections Prime plans include Absolute Total Care/Centene, First Choice VIP Care Plus by Select Health/AmeriHealth Caritas, and Molina Dual Option. Advicare Advocate announced in July 2016 that it was exiting the state's dual demonstration program, effective August 31, 2016, after being acquired by Wellcare June 1, 2016. Humana and WellCare decided not to move forward with their applications to participate. Statewide there are an estimated 68,000 duals eligible for the demonstration. Separately, South Carolina special needs plan enrollment was 71,206 as of March 2022.

South Carolina Dual Eligibles Demonstration, Enrollment by Plan, 2018-21, July 2022					
Plan	2018	2019	2020	2021	Jul-22
Centene/Absolute Total Care	3,288	3,704	4,139	4,718	4,249
<i>+/- between reporting periods</i>	<i>(123)</i>	<i>416</i>	<i>435</i>	<i>579</i>	<i>(469)</i>
<i>% chg. between reporting periods</i>	<i>-3.6%</i>	<i>12.7%</i>	<i>11.7%</i>	<i>14.0%</i>	<i>-9.9%</i>
<i>% of total</i>	<i>26.5%</i>	<i>26.1%</i>	<i>25.9%</i>	<i>31.1%</i>	<i>30.6%</i>
AmeriHealth Caritas/First Choice VIP Care Plus	6,105	6,945	7,559	6,531	5,649
<i>+/- between reporting periods</i>	<i>973</i>	<i>840</i>	<i>614</i>	<i>(1,028)</i>	<i>(882)</i>
<i>% chg. between reporting periods</i>	<i>19.0%</i>	<i>13.8%</i>	<i>8.8%</i>	<i>-13.6%</i>	<i>-13.5%</i>
<i>% of total</i>	<i>49.2%</i>	<i>49.0%</i>	<i>47.2%</i>	<i>43.0%</i>	<i>40.7%</i>
Molina Dual Options	3,007	3,526	4,306	3,929	3,978
<i>+/- between reporting periods</i>	<i>39</i>	<i>519</i>	<i>780</i>	<i>(377)</i>	<i>49</i>
<i>% chg. between reporting periods</i>	<i>1.3%</i>	<i>17.3%</i>	<i>22.1%</i>	<i>-8.8%</i>	<i>1.2%</i>
<i>% of total</i>	<i>24.3%</i>	<i>24.9%</i>	<i>26.9%</i>	<i>25.9%</i>	<i>28.7%</i>
Advicare Advocate	0	0	0	0	0
<i>+/- between reporting periods</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>% chg. between reporting periods</i>					
<i>% of total</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
Totals	12,400	14,175	16,004	15,178	13,876
<i>+/- between reporting periods</i>	<i>889</i>	<i>1,775</i>	<i>1,829</i>	<i>(826)</i>	<i>(1,302)</i>
<i>% chg. between reporting periods</i>	<i>7.7%</i>	<i>14.3%</i>	<i>12.9%</i>	<i>-5.2%</i>	<i>-8.6%</i>

Source: South Carolina DHHS, HMA

South Carolina SNP Enrollment by Plan, March 2022					
Plan	Total SNPs	DSNPs	CSNPs	ISNPs	Share
UnitedHealthcare	35,973	35,717		256	50.5%
Humana	27,404	23,567	3,837		38.5%
Centene	5,990	5,990			8.4%
Molina	1,382	1,382			1.9%
PruittHealth Premier	409			409	0.6%
AmeriHealth	35	35			0.0%
Clear Spring Health	13	13			0.0%
Total	71,206	66,704	3,837	665	100.0%

Source: CMS, HMA