Melanie Giese Director, SC Birth Outcomes Initiative GieseM@scdhhs.gov

We launched South Carolina's Birth Outcomes Initiative (BOI) in July 2011 with the primary goals being to reduce the number of LBW babies in our state and to save money. We began the educational message in September of that year by asking each of the 43 birthing hospitals to sign a commitment letter, which we wrote and delivered, to end the practice of supporting NMN EED's. The CEO's and 2 Clinical Champions in each Hospital signed the pledge. We worked for the next 11 months staying on course with this message as well as bringing up the possibility of DHHS stopping payment to the physician and the hospital. Because BCBS is and has been a core member of the BOI, we began intense discussions to develop a partnership with them to change policy as well.

In August of 2012, DHHS released a Bulletin stating that we would now require all delivery claims to have one of 2 modifiers (Please check website for details <a href="www.scdhhs.gov">www.scdhhs.gov</a>), and that for the following few months, we would be assessing the appropriate utilization of those modifiers within our provider community but would NOT be denying payment. We also at the same time were working with BCBS's systems and educational outreach staff and were still talking about it at the BOI monthly meetings. Because we had involved all of our stakeholders from the beginning and were very transparent with our intent to improve health outcomes, there was absolutely no pushback when we released the next Medicaid Bulletin in mid-December stating that we would stop payment of claims for NMN EED's effective January 1, 2013. In fact, many of our clinical champions told us "it was time".

Between DHHS and BCBS, we cover 85% of all births in South Carolina, and became the first state in the nation for the public and private entities to partner with the same policy and the same message. I would encourage anyone who is interested in more details to check out the <u>Catalyst for Payment Reform Case Study</u> on SC BOI published November 4/5, 2013.