

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR**

**ACTION REFERRAL**

TO	DATE
<i>Waldrep/Hyleman</i>	<i>10-5-11</i>

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER  <i>100152</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <i>10-12-11</i>
2. DATE SIGNED BY DIRECTOR  <i>cc: Mr. Heck, Deps cleared 12/1/11, letter attached.</i>	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____  <input type="checkbox"/> FOIA DATE DUE _____  <input type="checkbox"/> Necessary Action

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1.			
2.			
3.			
4.			



**RECEIVED**

OCT 04 2011

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

*State of South Carolina*  
*Department of Mental Health*

**MENTAL HEALTH COMMISSION:**

Alison Y. Evans, PsyD, Chair

Joan Moore, Vice Chair

Jane B. Jones

Everard Rutledge, PhD

J. Buxton Terry

2414 Bull Street • P.O. Box 485  
Columbia, SC 29202  
Information: (803) 898-8581

**John H. Magill**  
State Director of Mental Health

October 4, 2011

Mr. Tony Keck, Director  
SC Department of Health and Human Services  
1801 Main Street  
Columbia, South Carolina 29201

Dear Mr. Keck:

This correspondence is written to request continuation funding for the South Carolina Department of Mental Health (DMH) Telepsychiatry Consultation Program.

This innovative rural medical services intervention program, unparalleled in the nation, was initiated in the spring of 2008 with significant financial assistance from The Duke Endowment (TDE) and your agency as essential partners. The South Carolina Department of Health and Human Services (SCDHHS), through the support of (then) Director Robert Kerr, awarded DMH a \$1 million grant to develop and implement related information technology (IT) applications for this program. The original program concept was to provide timely psychiatric assessments utilizing modern high-speed electronic video and voice equipment to reduce the cyclical overload of behavioral health patients waiting for such assessments in any SC hospital emergency department (ED).

To date, the program provides direct, 24/7/365, assessments in twenty-two hospitals and will be adding three additional hospitals in the next 45-60 days. At the end of September 2011, program psychiatrists have completed 8,024 assessments in thirty months of activity and, while doing so, have reduced the hospital length of stay by one-half. Staff will be sending ten new contracts this week to hospitals expressing considerable interest in potentially utilizing the program.

Dr. Meera Narasimhan, Professor and Interim Chairman of the Department of Neuropsychiatry and Behavioral Science at the University of South Carolina and her team have analyzed the preliminary data using a propensity score analysis through the National Institute of Mental Health Award. They have demonstrated that this unique program has improved access, affordability, and provided quality care to the mentally ill citizens of this state. The results demonstrate:

1. Higher follow-up and retention of patients seen with the telepsychiatry group compared to controls in an outpatient setting ( 62.2% vs. 36.7%  $P < 0.0001$ );

**MISSION STATEMENT**

To support the recovery of people with mental illnesses.



2. Shorter lengths of stay (3.8 days vs. 5.3 days,  $P < 0.0001$ );
3. Fewer inpatient admissions (9.7% vs. 18.3%);
4. Total charges at encounter level for the index ED visit, including subsequent inpatient admission, were significantly lower for the telepsychiatry group (4292.362+ 5789.644 versus 5148.001+10661.79  $P < 0.0001$ ).

This clearly demonstrates cost effectiveness of this unique public, private, and academic model of healthcare delivery.

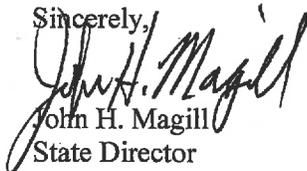
We project that TDE and SCDHHS funds will be exhausted in June 2012. A sound financial sustainability plan is being developed to include continued support from our major partners including TDE, DMH, SCDHHS and individual hospital subscriptions.

The Department has honored the SCDHHS targeted expenditure requirement and expended those funds for IT purposes including a singular electronic medical record (EMR), which is positively accepted by all participating hospital emergency departments. The success of this IT/EMR grant prompted the SC Hospital Association to request and receive a grant from TDE to initiate a uniform privileging process (the SC Uniform Credentialing Application for Physicians) using this program as the roll out mechanism.

In summary, we respectfully request a FY 2013 SCDHHS grant of \$750,000 to enable the Department to provide this necessary and innovative rural medical services intervention program to additional hospitals. These funds would enable the Department to extend the EMR to additional hospitals while, at the same time, continuing to add the essential component of information in new emergency department settings.

Please contact me to discuss this matter with you further, or to answer any questions you may have.

Sincerely,



John H. Magill  
State Director

JHM/cm

cc: Sam Waldrep, SC Department of Health and Human Services

## **Brenda James - Re: Gov's office referral - letter from Georgetown Health Care**

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**From:** Sam waldrep  
**To:** Jennifer Lynch; Teeshla Curtis  
**Date:** 10/04/2011 6:35 PM  
**Subject:** Re: Gov's office referral - letter from Georgetown Health Care  
**CC:** Brenda James

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yes, log it to Brenda Hyleman

>>> Jennifer Lynch 10/4/2011 5:53 PM >>>

The attached letter was forwarded from the Gov's office. It may need a little more than the general draft response. Sam, do you want this logged?

Either way, I need to get a copy of the signed copy that we send so I can share it with the Gov's office and close with them.

Thanks!!

Jenny Lynch,  
Legislative Affairs and Communications  
SC Department of Health and Human Services  
(803) 898-3965  
(803) 351-5673  
(803) 255-8235 FAX



December 1, 2011

Mr. John Magill  
State Director  
South Carolina Department of Mental Health  
Post Office Box 485  
2414 Bull Street  
Columbia, South Carolina 29202

Dear Mr. Magill:

It is rewarding to see the positive results of the innovative rural medical services intervention program that your agency initiated in 2008. As you well know, telemedicine has been viewed as the most efficient way to provide mental health treatment to consumers. Specifically, telepsychiatry has proven to be a cost-effective alternative treatment approach that has far-reaching positive fiscal implications on the health care system.

We are pleased with the success of this program in our State and strongly encourage the continued state-wide partnerships that will strengthen the success of this treatment approach and lead to long-term sustainability. Please continue to share with my staff ongoing program results and data outcomes. I look forward to receiving a copy of the finalized sound financial sustainability plan.

South Carolina Department of Health and Human Services will provide \$750,000 for state fiscal year 2013 to assist your efforts and to further develop the rural medical services intervention program to additional hospitals and Medicaid beneficiaries.

If you have any questions please contact Sam Waldrep, Deputy Director of Long Term Care and Behavior Health, at 803-898-2725. We appreciate your partnership in meeting the needs of the citizens of this state and look forward to your continued efforts.

Sincerely,

Anthony E. Keck  
Director