



State of South Carolina Office of the Governor

NIKKI R. HALEY
GOVERNOR

1205 PENDLETON STREET
COLUMBIA 29201

December 20, 2013

Dear Cabinet Directors,

Thank you for working with the Regulatory Review Task Force and my office over the past several months to fulfill the goals set forth in Executive Order 2013-02. On November 15, 2013, the Task Force presented the *2013 Regulatory Review Task Force Executive Summary Report* which made numerous recommendations that I believe will help our Administration streamline administrative functions and reduce many costly, unreasonable, unnecessary, or over-burdensome regulations, policies, and statutes.

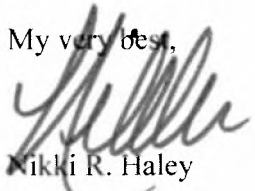
As either the direct result of the Task Force's work or the ongoing efforts of your agency, you have conducted an unprecedented review of your agency's regulatory systems and administrative processes. I appreciate the range of recommendations that were put forth; from technical clarifications to substantive improvements, collectively these reforms will help save time and money for state agencies and businesses.

In creating this Task Force, my intent was to see direct and quick action by my agencies to put into effect Task Force recommendations and start cutting red tape. **Accordingly, my staff has followed up with your agency and reviewed relevant recommendations, and I now ask that you implement reforms, if you have not already, which were either recommended by the Task Force or proposed by your agency, a synopsis of which is provided in the enclosed document.**

Additionally, be advised that I have requested the Department of Health and Environmental Control and professional and occupational licensing boards under the Department of Labor, Licensing and Regulation to re-evaluate and adopt proposed reforms under their purview. Finally, I am meeting with legislators prior to the start of the next legislative session to ask for legislation on some of the reforms that require statutory changes.

As governor, I am constantly looking for ways to improve South Carolina's business climate, and with your help, we will make our Administration as business-friendly as possible. Thank you again, and God bless.

My very best,


Nikki R. Haley

NRH/rs

Enclosure

A large, stylized handwritten signature in black ink, appearing to read "Thank you".

Policy and Regulatory Reforms for Cabinet Agency Implementation

These reforms were proposed in the “2013 Regulatory Review Task Force Executive Summary Report” and/or were recommended by the agencies. Please view the complete Task Force report and all of the agencies’ reports at www.sccommerce.com/taskforce.

Department of Employment and Workforce:

1. Streamline the entire claims process to make it more efficient as well as more consistent and transparent throughout the stages of each claim, which is estimated to begin by March 2014.
2. Overhaul the appeals process by using a case management solution, which will make a process that was once 98% manual and paper-based more efficient and is estimated to save more than \$250,000 per year, which is estimated to begin by March 2014.
3. Automate the appeals process by allowing businesses to file appeals online at SCBOS (SC Business One Stop) to ensure that forms and hearings are more efficient, which will allow businesses to spend less time on administrative functions associated with unemployment, beginning in the Spring of 2014.
4. Continue to improve the online portal, SCBOS, to make it more user-friendly for businesses to use services associated with payments and reports for UI (unemployment insurance) taxes, which is estimated to continue throughout 2014 as new forms and options are being added to the system.

Department of Health and Human Services:

5. Phase-out paper Edit Correction Forms (ECFs) forms for Medicaid healthcare providers and move to filing all corrections for claims electronically. Medicaid providers were notified in December 2013 that, effective January 3, 2014, providers will no longer receive ECFs for rejected claims and that, Effective April 1, 2014, HHS will no longer accept provider corrected ECFs.
6. Eliminate an unnecessary administrative step regarding Retro-eligibility within the Prior-Authorization process, which was implemented in July 2013.
7. Simplify the referral process for therapy services (e.g. Licensed Independent Practitioners (LIPs)). Medicaid providers were notified of the policy changes in November 2013 with an effective date of January 1, 2014.
8. Centralize the development and review of Medicaid policy to ensure that processes are being reviewed holistically and streamlined, which is expected to be implemented January 1, 2014.
9. Task regional account managers to provide individual attention to major providers, improving relations and outreach and helping troubleshoot and solve problems, which is expected to be initiated by March of 2014.

Department of Insurance:

10. Conduct filing workshops to educate insurers on avoiding inaccurate and incomplete filings, which will begin in the spring of 2014.

11. Explore an electronic notification system to notify insurers when an action has been taken on the filing, which has already begun in coordination with the National Association of Insurance Commissioners.
12. Provide electronic updates for a producer's continuing education status, rather than making producers call the agency, which will save time, which is targeted for completion in June 2014.
13. Streamline the dispute process to allow for mediation, rather than the traditional costly and cumbersome legal process, which will be implemented for disputes with captive insurers beginning in December 2013.

Department of Revenue:

14. Simplify the monthly Sales and Use tax forms, which can be complex and costly. DOR began implementation in December of 2013 and will be complete by May 30, 2014.
15. Add more information to the DOR website about the options for collections procedures (i.e. Offers in Compromise, Installment Agreements) to be more business-friendly. DOR began implementation in December of 2013 and will be complete by May 30, 2014.

Department of Social Services:

16. Allow child care businesses to use hand-sanitizer on playgrounds, which is a reasonable alternative to requiring soap and water stations. This policy will be changed and circulated to providers with an implementation date of January 31, 2014.
17. Permit child care businesses to re-use nap mats, which is a reasonable alternative to prohibiting nap mats to be used after a child leaves even if sanitized. This policy will be changed and circulated to providers with an implementation date of January 31, 2014.
18. Remove requirement for child care businesses to employ an "emergency person", which is unnecessary when these businesses showed they had an adequate staff to obtain initial certification. This policy will be changed and circulated to providers with an implementation date of January 31, 2014.
19. Allow DSS staff to make multiple assessments during the same visit (i.e. ABC Voucher workers and licensing workers), decreasing the number of visits to businesses and conserving time and resources. This policy was implemented in August of 2013 but will again be circulated to providers before the end of January 2014.
20. Clarify a policy so that providers no longer have to change state-approved menus to meet ABC Grow Healthy Standards. This policy is being implemented in December of 2013 but will again be circulated to providers by the end of January 2014.
21. Clarify a policy so that child care businesses do not have to space nap mats three feet apart, which was not the intent of the policy. This policy will be changed and circulated to providers with an implementation date of January 31, 2014.

Department of Transportation:

22. Move towards a digital process to improve the efficiency and timeliness of the Encroachment Permitting process, which governs the requests for working within DOT highway rights of way. DOT recently addressed many of the issues relating to the

burdensome nature of this process but will continue to make improvements. This process began on May 9, 2013 with statewide implementation on June 20, 2013.

23. Eliminate double-bonding for county bonds by amending the ARMS Manual (Access and Roadside Management Standards), eliminating regulatory duplication and reducing the amount required, which has been ongoing since late 2012.

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