

From: Flynn, Brian P. <BFlynn@mwcllc.com>  
To: Patel, SwatiSwatiPatel@gov.sc.gov  
CC: Mottel, HaleyHaleyMottel@gov.sc.gov  
Veldran, KatherineKatherineVeldran@gov.sc.gov  
Adams, ChaneyChaneyAdams@gov.sc.gov  
Date: 9/14/2016 11:48:19 AM  
Subject: Re: BabyNet/Part C Follow Up

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All looks good! Sorry for the late response here. I was not getting emails for some reason.

Sent from my iPhone

On Sep 14, 2016, at 10:17 AM, Patel, Swati <SwatiPatel@gov.sc.gov> wrote:

Brian – please note that we modified the Easterseals quote to make it factually accurate. SC has the worst track record of compliance but we're not the only state to fail to meet compliance.

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From: Mottel, Haley  
Sent: Wednesday, September 14, 2016 10:16 AM  
To: Flynn, Brian P.  
Cc: Patel, Swati; Veldran, Katherine; Adams, Chaney  
Subject: RE: BabyNet/Part C Follow Up

Brian,

Below is the draft release that will be sent out today at 1:00 pm. We greatly appreciate your help!

Thank you,  
Haley

## **Gov. Nikki Haley Announces BabyNet Transition to SCDHHS**

**COLUMBIA, S.C.** – Governor Nikki Haley today announced the transition of BabyNet, currently managed by First Steps, to the Department of Health and Human Services (SCDHHS).

A copy of the governor's executive order, detailing the transition, is available [here](#).

Part C of the Individuals with Disabilities Education Act (IDEA), known as "BabyNet" in South Carolina, provides for early intervention services for children with disabilities from birth to their third birthday. Services are designed to identify and meet a child's needs in five developmental areas, including physical and cognitive development.

SCDHHS is uniquely positioned to bring Medicaid managed care organizations and BabyNet providers together to more efficiently and effectively process their Medicaid care plans and Individualized Family Support Plans under BabyNet. The agency administers Medicaid and the Children's Health Insurance Program (CHIP), which together serve a majority of BabyNet recipients. Medicaid pays for a majority of births in South Carolina, so HHS has a relationship with most BabyNet recipients and their families from the very beginning of their lives.

"At Easterseals South Carolina we work every day to ensure that the children in South Carolina receive the best early intervention services they can, and we have been deeply troubled that South Carolina's Part C program has the worst track record of complying with federal compliance standards of any state in the union," said Deanna Lewis, President & CEO of Easterseals South Carolina. "With HHS's record of fiscal responsibility and having an established relationship with most BabyNet recipients already, we feel that HHS is the right agency to lead the program back into federal compliance."

"Too many children with developmental delays, disabilities and special health care needs in South Carolina are falling through the cracks and not receiving the critical early intervention services they need. As the parent training and information center for South Carolina, we support steps that will best serve the children of our state and help position them for success in school and life," said Amy Holbert, executive director of Family Connection of South Carolina. "We believe a partnership between SCDHHS and DOE – based on these actions of Governor Haley – can help ensure that the children throughout our state receive those critical services when needed."

The work of transitioning BabyNet to SCHHS will begin immediately over the next few months with formal assumption of lead agency responsibilities beginning July 1, 2017. This incorporation period will ensure a smooth transition that includes completion of necessary filings with the U.S. Department of Education, establishing partnerships with other state agencies and ensuring the state budget reflects the change.

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From: Flynn, Brian P. [<mailto:BFlynn@mwcllc.com>]  
Sent: Tuesday, September 13, 2016 2:36 PM  
To: Mottel, Haley  
Cc: Patel, Swati; Veldran, Katherine; Adams, Chaney  
Subject: RE: BabyNet/Part C Follow Up

Haley –

Please see the suggested quotes for your office's review and approval from Easter Seals and FCSC.

*"At Easterseals South Carolina we work every day to ensure that the children in South Carolina receive the best early intervention services they can, and we have been deeply troubled that we are the only state in the country to have their Part C program not meet federal compliance standards. With HHS's record of fiscal responsibility and having an established relationship with most BabyNet recipients already, we feel that HHS is the right agency to lead the program back into federal compliance." – Deanna Lewis, President & CEO of Easterseals South Carolina*

*"Too many children with developmental delays, disabilities and special health care needs in South Carolina are falling through the cracks and not receiving the critical early intervention services they need. As the parent training and information center for South Carolina, we support steps that will best serve the children of our state and help position them for success in school and life," said Amy Holbert, executive director of Family Connection of South Carolina. "We believe a partnership between DHHS and DOE – based on these actions of Governor Haley – can help ensure that the children throughout our state receive those critical services when needed."*

Thanks!  
Brian

Brian Flynn

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From: Mottel, Haley [<mailto:HaleyMottel@gov.sc.gov>]  
Sent: Tuesday, September 13, 2016 12:24 PM  
To: Flynn, Brian P. <[BFlynn@mwcllc.com](mailto:BFlynn@mwcllc.com)>  
Cc: Patel, Swati <[SwatiPatel@gov.sc.gov](mailto:SwatiPatel@gov.sc.gov)>; Veldran, Katherine <[KatherineVeldran@gov.sc.gov](mailto:KatherineVeldran@gov.sc.gov)>; Adams, Chaney <[ChaneyAdams@gov.sc.gov](mailto:ChaneyAdams@gov.sc.gov)>  
Subject: FW: BabyNet/Part C Follow Up

Brian,

Thank you for your time today! Per our conversation, below are segments that were included in the attached letter. It would be great to focus the quotes on HHS being the lead agency and their existing connections with BabyNet recipients and their families. We appreciate all of your help.

*We represent thousands of patients, parents, and providers here in South Carolina. We work every day to ensure that the children in South Carolina receive the best early intervention services they can, and we have been deeply troubled by the fact that we are currently the only state in the country to be in the highest need of federal compliance.*

*There was a collective call to action for a new lead agency to run the BabyNet program in South Carolina. This is not an indictment on the state office at First Steps, but rather a call to reshuffle the deck after almost 12 years of federal non-compliance.*

*The BabyNet program provides critical services to families in South Carolina whose children may be facing correctible developmental delays or lifelong disabilities. However, too many children are falling through the cracks and are not receiving these life changing services.*

*Moreover, scientific research shows that early intervention services received in the first five years of a child's life can improve outcomes and that in turn leads to lower costs for the state in the long run.*

Please let me know if you have any questions!

Thank you,  
Haley

Haley Mottel  
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From: Flynn, Brian P. [<mailto:BFlynn@mwcllc.com>]  
Sent: Tuesday, August 23, 2016 4:31 PM  
To: Patel, Swati  
Subject: BabyNet/Part C Follow Up

Swati,

Thanks again for reaching out last week to discuss some issues surrounding BN. In following up on your request to send you some information about this issue, please find some background on the attached documentation below.

Letter to First Steps – This was a letter that we sent to the previous Director of First Steps after we met with the agency to discuss taking over Part C for the state. That request went nowhere for 2 years.

Proviso 1.96 – Due to the lack of cooperation from First Steps on releasing data such as, how many kids have they served, how are they working on becoming compliant with the Feds, we worked with the legislature on passing this proviso that requires them to submit information to essentially tell the legislature how they are working to get the program back into compliance. This was inserted against Senator Fair's exceptions.

LOC BN Stakeholder Letter – This was a letter that Easter Seals submitted on behalf of other concerned BN stakeholders when the LOC was discussing First Steps. We wanted to make clear that BN was still an issue that has not been resolved yet. I think in large part due to the letter, the Legislative Oversight Committee took no stance as to whether they support BN remaining with First Steps.

Easter Seals National Map - Easter Seals' only request has been for BabyNet to be brought into federal compliance. Easter Seals is very much supportive of the Governor's plan that she laid out earlier in the year to move BN to HHS/DOE. Easter Seals has offered to run BabyNet/Part C should the state choose to send out an RFP to contract this program out to vendors. This map lays out where in the country they currently run the Part C program for the state. Any state with 4 shapes in them are where they either run all of Part C in the state or are contracted out for major portions of the program. Easter Seals obviously has national best practices that would bring the program back into compliance.

Easter Seals would like to be a resource for the Governor's office regarding BabyNet and would love any opportunity to meet with the Governor or her staff to talk about how Easter Seals can assist the state in bringing this program back into compliance.

Thank you!

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