

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Giese</i>	DATE <i>6-14-12</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>100479</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <i>6-22-12</i>
2. DATE SIGNED BY DIRECTOR <i>Ce. Mr. Teck, Singleton</i> <i>Claude 8/6/12, letter</i> <i>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.			

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TO <i>Giese Williams</i>	DATE <i>6-14-12</i>
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APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer)	COMMENT
1. <i>[Signature]</i>	<i>7/10/12</i>	<i>OK</i>	
2. <i>[Signature]</i>	<i>7/16 OK 7/21 7/22/13</i>		
3. <i>Toy Reviewed</i>	<i>7/18/12</i>	<i>1 grammatical chg.</i>	
4. <i>Darbara -</i>	<i>7/24/12</i>		



**RECEIVED**

JUN 14 2012

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

STATE OF SOUTH CAROLINA

JOINT CITIZENS AND LEGISLATIVE COMMITTEE ON CHILDREN

COLUMBIA

June 13, 2012

MICHAEL L. FAIR  
CHAIR

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VICE-CHAIR

SENATE MEMBERS  
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LILLIAN B. KOELLER, DSS

STAFF  
HARRY W. DAVIS, JR.  
CHILDREN'S LAW CENTER

Mr. Anthony E. Keck, Director  
South Carolina Department of  
Health and Human Services  
Post Office Box 8206  
Columbia, South Carolina 29201-8206

RE: Greenville Medicaid Providers

Dear Director Keck:

Medicaid providers in the Greenville area have reported administrative burdens that affect their ability to provide services to children. I writing this letter to relay their concerns. Three organizations, A Child's Haven, Clarity, and the Meyer Center are non-profit organizations that receive funding through the United Way of Greenville. These organizations provide crucial services to abused children and children with disabilities.

These organizations report that reauthorization procedures and limits on the number of therapy visits threaten their ability to continue to provide services. Increased administrative burdens have caused staff to spend more time completing paperwork than serving children.

Specifically, issues with reauthorization requirements have increased burdens on these providers. Clarity, a non-profit speech, hearing, and learning center, and Meyer Center, a developmental education and therapy provider for preschool children with disabilities, both report that requiring physicians to approve the continuation of services every three months, rather than every six months, has made it difficult for children to access services. Repeat well-visits to verify that a child is still disabled are a barrier for parents seeking services for their children. Coupled with reduced fees and limits on the number of therapy visits, both Meyer Center and Clarity's financial status has been dramatically affected.

For disabled children who receive therapies from multiple providers, reimbursement has become extremely difficult. Because the number of therapy visits a child can have without additional authorization, review, and approval is

Page 2  
Anthony Keck  
June 13, 2012

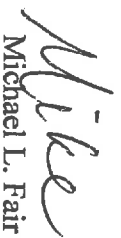
limited to 75 visits per year, staff must keep detailed records of services by multiple providers. When services have been provided by providers in different locations, the paperwork is even more cumbersome. Often this means the last provider in line has the most difficult time being reimbursed.

Reauthorization procedures for managed care organizations (MCOs) further increase financial burdens on providers. MCOs require numerous steps for reauthorization and obtaining reimbursement after services have been rendered. For children receiving occupational therapy, physical therapy, and speech therapy, MCOs require reauthorization every 12 weeks. MCOs have the right to refuse authorization and to limit the amount of therapy they will authorize. This is a very time-consuming process for staff with no assurance that authorization will be given or services will be reimbursed.

A Child's Haven, a treatment center for children who have been traumatized by poverty, neglect, and abuse, reports that additional administrative burdens demand increased staff just to handle these new requirements. This means they have fewer resources to nurture and care for the children in their program.

Providers such as A Child's Haven, Clarity, and the Meyer Center provide extremely important services to children to recover from the trauma of abuse and to overcome developmental challenges. Please assist me in minimizing the impact of administrative burdens so that these providers can spend their time serving children, rather than completing paperwork.

Sincerely,



Michael L. Fair

Joint Citizens and Legislative Committee on Children  
Chair

cc: Louise Anthony, Meyer Center  
Kimberly Cooley, A Child's Haven  
Stephen Guryan, Clarity  
Heather Love, Greenville United Way  
Laurel Eddins, SCDHHS

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LILLIAN B. KOLLER, DSS

STATE  
HARRY W. DAVIS, JR.  
CHILDREN'S LAW CENTER

Log to B2  
cc: Dir, COS  
For Dir Sign  
Due date 6/14/12

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South Carolina Department of  
Health and Human Services  
Post Office Box 8206  
Columbia, South Carolina 29201-8206

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Michael L. Fair

Joint Citizens and Legislative Committee on Children  
Chair

cc: Louise Anthony, Meyer Center  
Kimberly Cooley, A Child's Haven  
Stephen Guryan, Clarity  
Heather Love, Greenville United Way  
Laurel Eddins, SCDHHS



August 6, 2012

The Honorable Michael L. Fair  
State of South Carolina  
Joint Citizens and Legislative Committee on Children  
Post Office Box 142  
Columbia, South Carolina 29202

Dear Senator Fair:

Thank you for your letter regarding your concerns about the 75 hours (300 units) checkpoint for Private Rehabilitative Therapy Services, Managed Care Organizations (MCO) reauthorization processes, and changes to behavioral health services.

The 75 hours (300 units) checkpoint was established to assure that we are paying for services that are medically necessary, and that we are providing the needed resources to our beneficiaries. Based on a Lean Six Sigma (L6S) project completed here at the Department of Health and Human Services (DHHS), we were able to determine that approximately 90% of these services were being provided within the 75 hour checkpoint. Additionally, we will be increasing the checkpoint to 105 as well as changing the policy for site of service to allow greater access points for treatment. A primary goal for all services approved through DHHS is to integrate the beneficiary's primary care physician into the care coordinated model which is vitally important to achieving optimal health outcomes. This also ensures that we are meeting the recipient's needs as identified during the Early, Periodic, Screening, Diagnosis, and Treatment (EPSDT) visits provided by the primary care physician. Under EPSDT requirements, SCDHHS must ensure that children receive all medically necessary services.

In your letter you also identified issues with the Managed Care Organizations (MCOs) and their individual reauthorization processes. Prior Authorization (PA) is defined as the act of authorizing specific approved services by the MCO before they are rendered. In accordance with 42 CFR §438.210, plan responses to requests for PA shall be within State-established timeframes and not exceed fourteen (14) calendar days following receipt of the request for service for standard authorization decisions. The plans are also to provide notice as expeditiously as the enrollee's health condition requires. We would ask that your providers please contact our Managed Care Division at 803-898-4614 with specific examples of their problems so that we can appropriately research the individual cases for resolution.

In July, 2010, the SCDHHS implemented changes in how behavioral health services are provided under our state Medicaid Plan. This came after very intensive negotiations with the Centers for Medicare & Medicaid Services (CMS) over a three year period. As a result, a number of services were reconfigured. We have worked closely with A Child's Haven during the past several years to minimize the negative impact these changes have had to the delivery of services to children. We will be glad to continue our problem-solving with A Child's Haven and learn about unresolved issues related to their provision of behavioral health services.

We appreciate your continued participation in the South Carolina Medicaid program. If you have any additional questions please feel free to contact Ms. Melanie "BZ" Glese, Deputy Director for Medical Services, at (803) 898-0178.

Sincerely,



Anthony E. Keck  
Director

AK/gwr