

**From:** Mike Shealy <MikeShealy@scsenate.gov>  
**To:** Danny Varat <DannyVarat@scstatehouse.gov>  
**Date:** 6/6/2017 12:35:41 PM  
**Subject:** Re: Planned Parenthood

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Sure, no problem.

Sent from my iPhone

On Jun 6, 2017, at 12:33 PM, Danny Varat <DannyVarat@scstatehouse.gov> wrote:

May I call you tomorrow to talk a little more about this?

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**From:** Mike Shealy  
**Sent:** Tuesday, June 6, 2017 11:36 AM  
**To:** Danny Varat  
**Subject:** Planned Parenthood

Danny - Please see background. Thanks, Mike

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**From:** Angie Willis  
**Sent:** Tuesday, June 06, 2017 8:30 AM  
**To:** Michael Ulmer <MichaelUlmer@scsenate.gov>  
**Cc:** Mike Shealy <MikeShealy@scsenate.gov>  
**Subject:** RE: Planned Parenthood

The information below was provided in April to several Senators' offices that inquired about the action taken by Congress related to Title X Family Planning Funds. Basically the joint resolution adopted relates to Title X funds received by DHEC and they do not contract with or provide any funding to Planned Parenthood.

At that time, I also contacted DHHS to determine if any action had been taken that would allow a state Medicaid program to dis-enroll a provider because they may provide abortion services. I've attached DHHS' response from April. The resolution did not alter any of the regulations that prohibit a state Medicaid program from denying enrollment of a provider without cause. If the state chose to deny enrollment to Planned Parenthood, DHHS indicated the state would be required to cover the federal share of all family planning services which is estimated to be approximately \$40 million.

I believe the proposed American Health Care Act includes a set of limits for Medicaid payments to Planned Parenthood and we will need to track the progress of this legislation to determine any future impact.

As a reference, I've also attached the report prepared by RFA in December 2015 regarding the State's relationship with Planned Parenthood. Please let me know if you have any questions or need additional information.

Thanks - Angie

April 2017 response to inquiries regarding Planned parenthood:

The action taken by Congress relates to Title X Family Planning funds administered by DHEC. The joint resolution that was adopted allows states to determine if providers who perform abortion services, such as Planned Parenthood, can access Title X funding. I confirmed with DHEC that the Title X funds they receive are used in DHEC clinics and they do not contract with or provide any funding to Planned Parenthood.

I also spoke with DHHS regarding Medicaid funding and family planning services. The joint resolution did not alter any of the current federal regulations regarding state Medicaid programs that prohibit a state from denying enrollment of a provider that performs abortion services or to dis-enroll a qualified healthcare provider without cause. Medicaid does not allow reimbursement for abortions except under the Hyde amendment (rape, incest, life of the mother).

DHHS indicated if the current regulations remain in place and South Carolina decided to dis-enroll Planned Parenthood, the state would need to replace all federal funds received for family planning services with state funds in order to remain eligible for any Medicaid funds and that this action could possibly result in litigation. DHHS estimates the state would need to provide an additional \$40 million in state funds to replace the loss of the federal funds reimbursed for family planning.