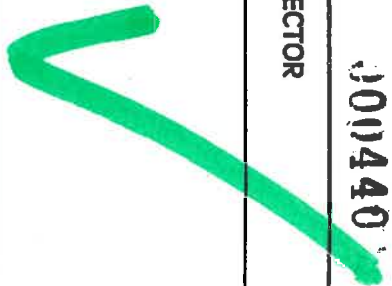


**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR**

ACTION REFERRAL

TO <i>Myers</i>	DATE <i>2-11-09</i>
--------------------	------------------------

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000440</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR 	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____
	<input type="checkbox"/> FOIA DATE DUE _____
	<input checked="" 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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FEB 10 2009

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February 5, 2009

Ms. Emma Forkner, Director
Department of Health and Human Services
Post Office Box 8206
Columbia, SC 29202-8206

Dear Mrs. Forkner:

This letter is in reference to the Department of Health and Human Services (DHHS) amendment to the Medicaid State Plan for rehabilitative behavioral health services to "discrete" services effective July 1, 2009. In planning for this implementation, DHHS requested that State Agencies submit a transition plan that would be used to demonstrate the impact of this amendment on the service delivery system of South Carolina. State Agencies submitted these plans to DHHS in August and September, 2008.

In developing the DDSN transition plan, staff based implementation timeframes on the assumption that specific information needed to make infrastructure changes would be known by specific dates. The specific information that DDSN must have to make needed changes include but is not limited to service standards, billing codes and reimbursement rates, documentation requirements, and authorization requirements. In addition, DDSN will need to develop parameters for authorizing services, develop/update training materials and train internal staff.

In reviewing the transition plan we submitted, we now believe that October 1 or after is a more realistic timeframe. We'd prefer that DHHS extend implementation to three months from the date that the rates, service standards, etc., are provided to State Agencies.

If you have any questions or need additional information, please contact me at 803-898-9686.

Sincerely,

Kathi K. Lacy, Ph.D.
Associate State Director, Policy

KKL/lw

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