

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

**ACTION REFERRAL**

TO <i>Giese</i>	DATE  <i>7-11-11</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER  <i>101022</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR  <i>cc: Mr. Fect, Pepp, Stensland Cleared 8/18/11, letter attached.</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>7-20-11</i>  <input type="checkbox"/> FOIA DATE DUE _____  <input type="checkbox"/> Necessary Action

APPROVALS <small>(Only when prepared for director's signature)</small>	APPROVE	* DISAPPROVE <small>(Note reason for disapproval and return to preparer.)</small>	COMMENT
1.			
2.			
3.			
4.			

KENT M. WILLIAMS  
SENATOR, MARION, MARLBORO  
AND FLORENCE COUNTIES  
SENATORIAL DISTRICT 30

COMMITTEES:  
AGRICULTURE AND NATURAL RESOURCES  
CORRECTIONS AND PENOLOGY  
FISH, GAME AND FORESTRY  
JUDICIARY  
LABOR, COMMERCE AND INDUSTRY



COLUMBIA ADDRESS:  
602 GRESSETTE SENATE BLDG  
POST OFFICE BOX 142  
COLUMBIA, SC 29202  
TEL: (803) 212-6008  
FAX: (803) 212-6299  
EMAIL: KENTWILLIAMS@SCSENATE.GOV

HOME ADDRESS:  
POST OFFICE BOX 1514  
MARION, SC 29571  
TELEPHONE: (843) 423-8237

July 8, 2011

Mr. Anthony E. Keck, Director  
SC Department of Health and Human Services  
P.O. Box 8206  
Columbia, SC 29202

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

JUL 08 2011

RECEIVED

-Via Fax 803-255-8235 and U.S. Mail-

Dear Mr. Keck:

Enclosed is a copy of the letter that I received today from the Marlboro Park Hospital located in Bennettsville SC. I was shocked and surprised to learn that this facility was not listed as being an excluded hospital from the Medicaid rate reduction set to go into effect on July 8 for the state's 2012 fiscal year.

I truly cannot think of Marlboro County and not consider it a rural area. Marlboro County is a poor county with a population of a little more than 28,000. My constituents in Marlboro County continue to suffer with high unemployment rates and have a higher than average number of individuals who rely on Medicaid for their healthcare coverage.

If Marlboro Park is not excluded from this rate reduction, the impact to this rural community would be extensive. I fully support the request by Marlboro Park Hospital for the selection criteria for exclusion be reconsidered and the vital health care provider in this rural community be excluded from the rate reduction.

I look forward to hearing from you regarding the status of this reconsideration and know that you will carefully and objectively review this request. If you have any questions, feel free to contact me.

Sincerely,  
  
Kent Williams

CC: Elizabeth Munnerlyn, Representative, District 54  
Jeff Reece, CEO, Marlboro Park Hospital



H O S P I T A L

1138 Cheraw Street  
Bennettsville, South Carolina 29512  
Telephone (843) 479-2881

July 5, 2011

Anthony Keck  
SC Department of Health and Human Services  
Bureau of Reimbursement Methodology and Policy  
Klondike Building, Room K112  
1813 Main Street  
Columbia, SC 29201-2409

Marlboro Park Hospital located in Bennettsville SC was not listed as being an excluded hospital from the Medicaid rate reduction set to go into effect on July 8 for the state's 2012 fiscal year. It was not excluded because it did not meet the "rural" definition as determined by The Rural/Urban Commuting Area (RUCA) study. The study and map was created to show where commuting individuals received their health care based on the individuals' zip code. There are many non-commuting patients, such as the low income and elderly, who use health care services that would not be included in this study, making this study not valid in determining rural versus urban. In addition to the methodology used, zip codes were used for mail delivery rather than census tract boundaries and may not reflect a true picture of rural or urban areas.

Marlboro County is a poor rural county with a population of a little more than 28,000. Of this population 10,138 or 35% receive Medicaid according to SC DHHS stats. Often Marlboro County is listed with the state's highest unemployment rate with an average of 20.1 percent for 2010. By any standard Marlboro County is identified as rural county. According to the Health Resource Services Administration (HRSA), Marlboro County is identified a Health Professional Shortage Area and thus HRSA allows identified health professionals to work in this rural setting allowing them to participate in their program. Marlboro County is recognized by the South Carolina Office of Rural Health as a rural hospital, yet this study does not co-inside with the organization our state government has selected as the authority for rural health.

If Marlboro Park is not excluded from this rate reduction, the impact is projected to reduce net revenue \$205,500 for the year. As a result of the 3% reduction in April, we have reduced our staffing by 3 FTE to help compensate for the reduction. Hospitals and physicians can not continue to accept rate reductions and continue to offer all current services needed by patients. I am asking that the selection criteria for exclusion be reconsidered and Marlboro Park Hospital be excluded from the rate reduction.

I look forward to hearing from you regarding this important decision and hope that you will help us continue to provide needed services to the residents of Marlboro County. If you have any questions, feel free to contact me.

Best Regards,

A handwritten signature in black ink that reads "Jeff Reece". The signature is written in a cursive style with a large, prominent "J" and "R".

Jeff Reece, CEO  
Marlboro Park Hospital

CC: Elizabeth Munnerlyn, Representative District 54  
Kent Williams, Senator District 30



August 18, 2011

 Anthony E. Keel, Director  
Nikki R. Haley, Governor

*Log #22*

The Honorable Kent Williams  
602 Gressette Senate Building  
Post Office Box 142  
Columbia, South Carolina 29202

Dear Senator Williams:

Thank you for your letter regarding the impact of the Medicaid reimbursement reductions on Marlboro Park Hospital in Bennettsville, South Carolina.

The South Carolina Department of Health and Human Services has reviewed the exception criteria that was used to determine the hospitals exempt from the July 11, 2011, rate reductions. Based upon additional data from the University of South Carolina Institute of Families in Society, we will also exclude three more hospitals from receiving the recently executed 4% reductions. The updated description of exempt hospitals as well as the added hospitals are as follows:

- Hospital services provided by qualifying burn intensive care unit hospitals,
- Critical access hospitals and isolated rural,
- Small rural and certain large rural hospitals as defined by Rural/Urban Commuting Area classes,
- Large rural hospitals must be located in a Health Professional Shortage Area for primary care for local population,
- Chester Regional Medical Center, Colleton Medical Center and Marlboro Park Hospital.

We appreciate your continued interest and support of the South Carolina Healthy Connections Medicaid program. If we may be of further assistance on this or any other matter, please feel free to contact me at (803) 898-0178.

Sincerely,

  
Melanie "Bz" Giese, RN  
Deputy Director

MG/vm



August 18, 2011

Mr. Jeff Reece  
Chief Executive Officer  
Marlboro Park Hospital  
1138 Cheraw Street  
Bennettsville, South Carolina 29512

Dear Mr. Reece:

Thank you for your letter regarding the impact of the Medicaid reimbursement reductions on Marlboro Park Hospital in Bennettsville, South Carolina.

The South Carolina Department of Health and Human Services has reviewed the exception criteria that was used to determine the hospitals exempt from the July 11, 2011, rate reductions. Based upon additional data from the University of South Carolina Institute of Families in Society, we will also exclude three more hospitals from receiving the recently executed 4% reductions. The updated description of exempt hospitals as well as the added hospitals are as follows:

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We appreciate your continued interest and support of the South Carolina Healthy Connections Medicaid program. If we may be of further assistance on this or any other matter, please feel free to contact me at (803) 898-0178.

Sincerely,

Melanie "BZ" Giese, RN  
Deputy Director

MG/Am

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

log #22

TO <i>Giese Wagner</i>	DATE  7-11-11
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DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER  000022	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____		
2. DATE SIGNED BY DIRECTOR  <i>cc: Mr. Fack, Papp, Stensland</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <u>7-20-11</u> <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
<i>[Signature]</i>	<i>[Signature]</i> 7/24/11	<i>[Signature]</i>	<i>Reassigned lead</i>
<i>[Signature]</i>	8/17/11 <i>[Signature]</i>	7/27/11 <i>[Signature]</i>	
4.			