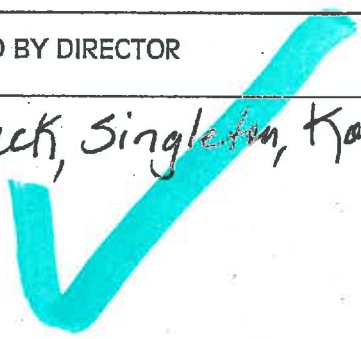


DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Waldrop</i>	DATE <i>12-13-12</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000174</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <i>12-21-12</i>
2. DATE SIGNED BY DIRECTOR <i>cc: Mr. Heck, Singleton, Kost</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.			

Murrell Smith

District No. 67 - Sumter County
P. O. Box 580
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Committee:
Ways and Means



House of Representatives
State of South Carolina

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RECEIVED

DEC 11 2012

December 5, 2012

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Mr. Tony Keck, Director
South Carolina Department of Health and Human Services
1801 Main Street
Post Office Box 8206
Columbia, SC 29202-8206

Dear Mr. Keck:

I need your help. It has been brought to my attention that changes currently scheduled to take effect January 1, 2013 regarding services provided under targeted case management will have significant fiscal costs to other state and local agencies.

I understand that since 1991 agencies were able to draw down Federal Medicaid funds for providing services under targeted case management to help avoid institutionalization and help integrate people with disabilities into their communities. In the case of Disabilities and Special Needs, the related services provided to their clients is "care coordination". I understand that CMS is requiring DHHS to limit the targeted case management definition to only include one of the following types of services-assessment, care planning, referral and monitoring. However, with discussions occurring in the last year, your agency is moving forward with implementing these changes without taking into consideration the previously covered "care coordination" activities that are essential to these families. These services help individuals maintain as much independence as possible through family supports and other non-institutional programs.

At a meeting with the DDSN officials this week, I asked them about the status of the targeted case management issue. I learned that for the current fiscal year, if the changes are implemented, it will result in a Medicaid reimbursement reduction to DDSN of approximately \$770,000, and for the next year FY 13-14, it will result in a loss of approximately \$3.7 million. This is during a period of time the General Assembly has been rebuilding the capacity of DDSN to address their waiting list, especially for those aging parents who have family members living with them who have intellectual disabilities. For example, in Sumter County I learned that there are 87 DDSN clients living with elderly parents who are primary caregivers. Since these programs are not an entitlement, the agency is constantly working on addressing a statewide waiting list of 3,300 consumers for community services and an additional 390 citizens waiting for Head and Spinal Cord Community Services. I think these are very important services.

Page Two

December 5, 2012

I also learned yesterday that statewide there are 400 people with disabilities living with caregivers who are 80 years or older. Supporting the community programs comes at a cost, but is much better all around than institutionalization. For example, part of the agency's request for next year is for 75 beds for individuals who can no longer live with aging parents- the cost in state funds is \$1.35 million. As you can see, family supports are much preferable both in terms of costs and quality of life.

Please reconsider this policy change. I will be happy to work with you in addressing the issues or concerns your agency has in this area, however, moving forward with this change at this time without a mechanism to preserve the other existing essential supports seems to me to be counter to "coordinated care" for a population at risk for institutionalization.

As the subcommittee begins to write the budget for next year, I want to help you with your budgetary needs, and help DDSN meet federal requirements, address life safety issues, and support community DDSN programs- which, as I understand them, are a form of "managed care" seeking the best outcomes and living arrangements for this very vulnerable population.

I believe that you have it within your authority to hold off on implementing this change until a solution for funding for the other essential services no longer covered under targeted case management can be achieved, and that it is not a Federal mandate (regarding the disallowance of "care coordination"). If my understanding is incorrect, please advise me immediately.

Please let me know if you are able to assist me in not disrupting this fragile balance. Just as your agency is facing challenges in maintaining services, DDSN is likewise trying to help families throughout South Carolina who are "living on the edge".

Sincerely, 

G. Murrell Smith, Jr.
Post Office Box 580
Sumter, South Carolina 29151

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