

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Waldrop</i>	DATE <i>4-30-12</i>
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DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER <i>100417</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____		
2. DATE SIGNED BY DIRECTOR <i>cc: Mr. Keck, Single- cleared 6/15/12, letter attached.</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>5-11-12</i> <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.			

Cherokee County Long Term Care Facility **RECEIVED**

d.b.a.

Peachtree Centre

APR 30 2012

1434 N. Limestone Street
Gaffney, South Carolina 29340
(864) 487-2717
Fax (864) 487-2798

Department of Health & Human Services
OFFICE OF THE DIRECTOR

April 27, 2012

Mr. Anthony Keck, Director DHHS
PO Box 8206
Columbia, SC 29202

Dear Mr. Keck,

Last week I spoke with Brenda Hyleman about several concerns. She encouraged me to write a letter so you could better understand my position on the Medicaid permit days issue.

At the time we were notified of the initial decrease in the number of days we could use, effective last July, we were substantially over our usage. This was due to an increased number of deaths in December, 2010, Jan., and March, 2011, which resulted in a greater number of Medicare admissions who then converted to Medicaid in the months prior to July 1, 2011. Quite a few of our private pay residents also converted to Medicaid during this time.

Since discharge of long-term residents was not a feasible possibility, we had to decrease our number of Medicaid days through attrition. Our dually certified units (total of 85 beds) stayed very stable with our first bed opening on August 28, 2011. By the end of October, we had four empty beds, by the end of December, twelve empty beds. We now have sixteen beds open in our dually certified units as we continue to comply with the mandate. Again, this means Medicaid recipients have not been able to be admitted to our facility since last July.

During a discussion with another administrator who also manages a non-profit such as ours, he relayed to me the possible scenarios being discussed as to restoring Medicaid days. Out of these discussions, he said the Community Long Term Care waiting list for each county would be evaluated to see where the greatest need for the beds lie. As an ethically responsible facility, we have assisted a great number of Cherokee County residents in finding placement in other facilities both out of the county and in the county after they were discharged from our short-term rehab unit. Many of them wanted to stay in our long-term units but we knew we had to reduce our Medicaid usage so we found alternate placement for them. Now, I feel we may have hurt our facility by doing this. If you do use the number of residents on the community waiting list, the list will be shorter because of our efforts to help the residents in our community find placement. Since July 1, 2011, we found placement at other facilities for thirteen of our rehab residents who needed long term care. There were four others who needed long

Cherokee County

1897



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term placement but refused to be placed anywhere but Peachtree so they decided to go home. We felt very strongly that these individuals should have been placed in a long-term facility but knew we could not admit them here. Talk about feeling sad and guilty knowing we had beds open but could not use them!! As we realized that many residents and families were counting on long term placement following rehab should it become necessary, we had to start screening our admissions closely and advise the residents and families of our Medicaid dilemma so they could make an informed decision prior to admission. This has influenced many not to come to our short-term rehab and therefore has hurt our image, overall rehab census and finances as we have diligently tried to compensate for the loss of Medicaid revenue (up to \$53,000/month) by utilizing Medicare on our short-term unit.

Our prayer is for assistance with restoring our Medicaid days so we do not have to send our county residents to a facility out of town and away from their loved ones. We have been very proud of the care provided to Cherokee County residents and it hurts us to see so many beds open which the citizens of this county need and deserve. Our history has been one of always utilizing our Medicaid days to serve the residents of this county with close to 100% occupancy. Cherokee County's demographics typically show we are rural with a high poverty level therefore there is a great need for restoring our Medicaid days.

Thank you for taking the time to read this letter to consider my concerns.

Sincerely,



Cindy Matthews
Administrator

cc: Brenda Hyleman, DHHS
Ben Clary, Cherokee Co. Administrator



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APR 30 2012

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Mr. Anthony Keck, Director DHHS
PO Box 8206
Columbia, SC 29202



29202+8206





Log #47

June 15, 2012

Ms. Cindy Matthews, Administrator
Cherokee County Long Term Care Facility
1434 North Limestone Street
Gaffney, South Carolina 29340

Dear Ms. Matthews:

Thank you for your recent letter concerning the reduction of Medicaid permit days. The South Carolina Department of Health and Human Services (SCDHHS) made the difficult decision to cut all Medicaid programs in order to balance the budget. Reductions were made as a result of a number fiscal constraints including a projected \$125 million overrun, beneficiary growth, depletion of reserve funds as well as the introduction of a proviso which restricted rate cuts. In April 2011, an across the board rate cut of 3 percent was instituted. Additionally, a second round of cuts including a reduction of permit days was implemented July 2011.

SCDHHS is monitoring access issues to ensure adequate care. We recently made an exemption to the Community Long Term Care waiting list to allow people who are hospitalized and at risk of nursing facility placement to be given priority for this service.

Upon the approval of the FY 2013 budget, we hope to add bed days to the counties with the greatest needs. We urge you to continue to assure your facility awaiting placement list is accurate and up-to-date for Cherokee County in keeping with the May 25, 2012 SCDHHS memo.

Determining which Medicaid programs and services to cut was challenging, but necessary in order to ensure the viability of South Carolina's Medicaid program. If you have additional concerns, please contact Nicole Mitchell-Threatt at (803) 898-2689.

Sincerely,


Sam Waldrep
Deputy Director

SW/htk