

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

ACTION REFERRAL

TO <i>Myers</i>	DATE <i>2-2-09</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOC NUMBER <i>100414</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Ms. Forkner Closed 2/4/09 letter attached.</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>2-11-09</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.			

DSS

Serving Children and Families

KATHLEEN M. HAYES, Ph.D.
STATE DIRECTOR

MARK SANFORD
GOVERNOR

January 29, 2009

RECEIVED

FEB 02 2009

Mrs. Emma Forkner, Director
Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29202-8206

Department of Health & Human Services
OFFICE OF THE DIRECTOR


Dear Mrs. *Emma* Forkner,

This letter is in reference to the Department of Health and Human Services (DHHS) State Plan Amendment (SPA) for rehabilitative behavioral health services submitted to the Centers for Medicare and Medicaid Services (CMS). It is our understanding that implementation of this SPA is scheduled for July 1, 2009. Last year, DHHS requested that state agencies submit a transition plan outlining the steps and timeline necessary for successful implementation of this new service delivery model. The South Carolina Department of Social Services (SCDSS) submitted its transition plan in August 2008.

In developing the transition plan, SCDSS staff based implementation timeframes on the assumption that specific information needed to make infrastructure changes would be known by December 2008. Necessary information included service definitions, service standards, billing codes and reimbursement rates, documentation requirements, and authorization requirements. Since this information is still unavailable, DSS cannot modify policies, develop training materials, deliver training, or complete the procurement documents or initiate the procurement process necessary to purchase services. If we receive this information by March 2009, we should be able to implement changes by October 1, 2009.

The change from bundled to discrete services in therapeutic foster care is a big mind-shift. To hastily produce policy and training for this new delivery mechanism will hurt our providers and will not benefit the hundreds of children we serve. Therefore we are requesting a delayed implementation of the SPA until October 1, 2009. This will allow time for SCDDSS and the other child placing agencies to incorporate the changes into our service delivery system. Your favorable review of this request is appreciated.

Sincerely,


Kathleen M. Hayes, Ph.D.
State Director

KMH/mc

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Kathleen M. Hayes, Ph.D.
State Director

KMH/mc



State of South Carolina
Department of Health and Human Services

Log # 414
✓

Mark Sanford
Governor

Emma Forkner
Director

February 4, 2009

Kathleen M. Hayes, Ph.D.
State Director
SC Department of Social Services
P.O. Box 1520
Columbia, SC 29202-1520

Dear Dr. Hayes:

I am writing in response to your letter of January 29, 2009 in which you requested a delay in the implementation of the State Plan Amendment for behavioral health rehabilitative services. We fully appreciate the complexity of implementation for you and other agencies and do apologize for the delay in receiving standards and rates. We, like you and all state agencies, are experiencing staff shortages and have had to redirect staff time due to the series of budget cuts imposed on us this fiscal year.

As you know, South Carolina is moving forward with this amendment at the suggestion of the Centers for Medicare and Medicaid Services (CMS). CMS made this recommendation due to the lack of specificity in our existing State Plan regarding behavioral health rehabilitative services. Trying to move from our current system to a universal system has been challenging for my staff and for the actuaries who are involved in our rate development.

I appreciate you bringing your concerns to our attention and we have given serious consideration to your request. We have apprised CMS of the desire for a delay in the implementation date and assure you we will continue to pursue this request.

Thank you for your service to the children of South Carolina.

Sincerely,

A handwritten signature in dark ink, appearing to read "Felicity Myers", is written over a horizontal line.

Felicity Costin Myers, Ph.D.
Deputy Director, Medical Programs

FCM/jp

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