

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Singleton</i>	DATE <i>9-19-06</i>
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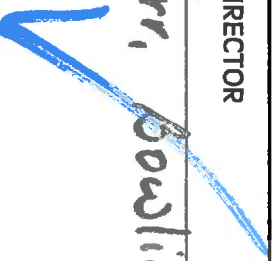
DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER <i>000252</i>	Prepare reply for the Director's signature DATE DUE _____ Prepare reply for appropriate signature DATE DUE <i>10-5-06</i> DATE DUE _____ <input type="checkbox"/> Necessary Action		
2. DATE SIGNED BY DIRECTOR <i>cc: Mr. Kerr, Bowling</i> <i>Change from director's signature</i> <i>to applo. sign. per Linda</i> <i>9/20/06.</i>			

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1. <i>Cleared 10/31/06, letter attached</i>			
2.			
3.			
4.			

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000252</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <i>9-26-06</i>
2. DATE SIGNED BY DIRECTOR <i>cc: Mr. Kerr, Bowling</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.			

JACKSON & JACKSON
ATTORNEYS AT LAW

1415 RICHLAND STREET
COLUMBIA, SOUTH CAROLINA 29201

MAILING ADDRESS:

P.O. BOX 7065
COLUMBIA, SOUTH CAROLINA 29202

TELEPHONE 803-256-2398
FAX 803-779-2173

ROBERT L. JACKSON
LINDA Z. JACKSON

September 15, 2006

RECEIVED

Department of Health and Human Services
Attention: Mr. Robert Kerr, Director
P.O. Box 8206
Columbia, South Carolina 29202-8206

SEP 18 2006

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Re: Carolina Health Care, Inc.

Dear Mr. Kerr:

We represent Carolina Health Care, Inc. Based upon a routine compliance survey on August 11, 2006, the Compliance Review Officer, Debora D. Carter sent notice to our client that new client referrals were being suspended for 90 days.

Carolina Health Care has been a provider of health related services for approximately 25 years. During that 25 years your department has conducted numerous compliance surveys of Carolina Health Care. Almost always the survey has revealed some deficiencies. Your department would notify Carolina Health Care of the deficiencies and give it a specified period of time, usually 6 months to correct the deficiencies. If the deficiencies were not corrected, the department would suspend new client referrals or take some other administrative action. In all of the years Carolina Health Care has been in business it has never had new client referrals suspended. I would appreciate you or someone in the department explaining to me and my client why this change in procedure? Additionally, I would like to know why punitive measures are being administered without an administrative or appeals hearing?

The President of Carolina Health Care tells me that there may be some personality conflicts between her and some of your staff and she is fearful that as a result, someone has targeted her business in an effort to put her out of business.

I am concerned about the change in procedure and other issues that are developing between your department and my client. The President of Carolina Health Care, Jeirline Jones, has had several meetings with members of your staff in an attempt to get answers to some questions and resolve these issues that continue to develop over a short period of time. To date, nothing has been resolved.

Page 2

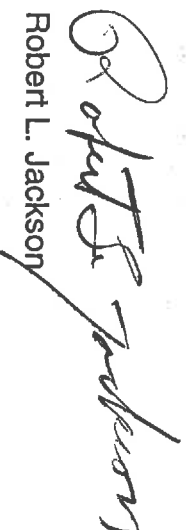
Mr. Robert Kerr
September 15, 2006

If you can find the time in the very near future, I would appreciate the opportunity for me and my client to meet with you to express our concerns and see if we can come to a meeting of the minds concerning your departments treatment of my client.

Your earliest response is appreciated.

Sincerely,

JACKSON & JACKSON

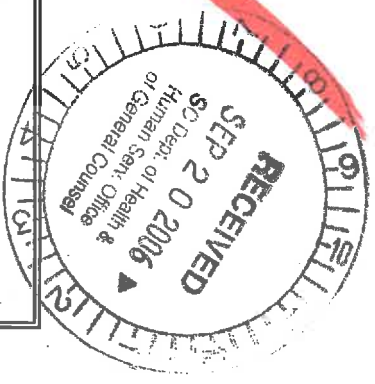

Robert L. Jackson

RLJ:lmc

cc: Carolina Health Care, Inc.

Dog- Singleton
"Robert's Sign."
cc: Kern
Bowling

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ATTORNEYS AT LAW

1415 RICHLAND STREET
COLUMBIA, SOUTH CAROLINA 29201

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P.O. BOX 7065
COLUMBIA, SOUTH CAROLINA 29202
TELEPHONE 803-256-2398
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ROBERT L. JACKSON
LINDA Z. JACKSON

September 15, 2006

RECEIVED

Department of Health and Human Services
Attention: Mr. Robert Kerr, Director
P.O. Box 8206
Columbia, South Carolina 29202-8206

SEP 18 2006

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Re: Carolina Health Care, Inc.

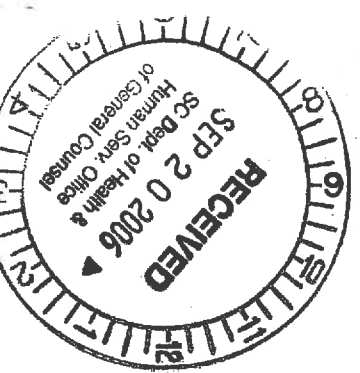
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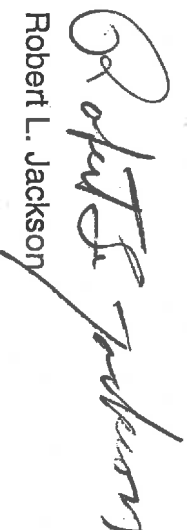
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September 15, 2006

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Your earliest response is appreciated.

Sincerely,

JACKSON & JACKSON



Robert L. Jackson

RLJ:lmc

cc: Carolina Health Care, Inc.

Dog- Singleton
"Pottery's Sign."
CC: Kern
Bowling



State of South Carolina
Department of Health and Human Services

Mark Sanford
Governor

Robert M. Kerr
Director

October 31, 2006

Mr. Robert L. Jackson, Esquire
Jackson and Jackson Attorneys at Law
1415 Richland Street
Columbia, South Carolina 29201

Dear Mr. Jackson:

I am in receipt of your letters of September 15th and October 19th to Robert M. Kerr, Director of the Department of Health and Human Services (DHHS) regarding your client, Carolina Health Care, Inc. (CHC). As I mentioned to you in our telephone conversation in late September and most recently our conversation on October 30th, DHHS was in negotiations with representatives of CHC to first resolve matters relating to a review that was conducted as a result of a complaint received from one of the Community Long Term Care Area offices. The review resulted in a potential disallowance of \$31,899.61. Representatives of CHC were informed, that following our resolution of this matter, we would address concerns raised regarding DHHS' suspension of new client referrals to CHC.

As you are aware, DHHS and CHC have resolved the issues regarding the above-mentioned disallowance. CHC has agreed to a repayment plan whereby CHC will reimburse DHHS an amount of \$15,000 over a six months period.

In your October 18th letter, you asked if DHHS would "conduct a "special survey" immediately and lift the suspension [of new client referrals] if it is found that the deficiencies have been corrected." Please be advised that DHHS will conduct an unannounced survey of CHC to ensure that the deficiencies referenced in the August 16, 2006 letter from Ms. Debora Carter, Compliance Review Officer, have been corrected. However, if these deficiencies have not been corrected or if additional deficiencies are found, the suspension could be extended or CHC's contract could be terminated depending on the severity of the deficiencies found.

If you have any other questions or would like to discuss this matter further, please call me at 898-2795.

Sincerely,

A handwritten signature in black ink, appearing to read "Deirdra T. Singleton".

Deirdra T. Singleton,
General Counsel

Cc: Susan Bowling

Office of General Counsel
P. O. Box 8206 Columbia South Carolina 29202-8206
(803) 898-2795 Fax (803) 255-8210