

Palmetto Association for Children & Families

March 19, 2015

Mr. Christian Soura, State Director
Department of Health and Human Services
PO Box 8206
Columbia, SC 29202-8206

Re: Rehabilitative Behavioral Health Services (RBHS)- Medicaid Bulletin

Dear Mr. Soura:

I regret that we will not be able to meet for several weeks, but I wanted to share provider concerns with you regarding the recent Medicaid Bulletin on the above captioned matter. Our Association represents a statewide network of private child serving organizations that deliver services to children who have been abused or neglected, or who have behavioral health or other conditions that need treatment or interventions.

The Medicaid Bulletin containing draconian measures will adversely impact services to children and families in South Carolina. State agency personnel and providers are reeling from this action, having been given what amounts to five business days notice to create discharge plans for families in need, to make arrangements for other staffing or credentialing, and to change entire business and billing systems. The Medicaid Manual governing the delivery of the service was posted on March 3, or three days after the effective date of the DHHS action. It was retroactive.

The following items are some concerns that some of our provider members have brought to our attention, as well a non-member providers:

1. Children deserve these services, and Medicaid must play a role in creating and preserving a service array that is not subject to change every month via changes to the RBHS manual.
2. The CALOCUS requirement is inappropriate, because agency personnel knew there were only 12 approved private CALOCUS providers listed on your website. Because of this lack of capacity, it does appear intentional to providers that DHHS used this instrument to deny access to services. The CALOCUS is not appropriate as a clinical tool for children ages 5 and under according to published literature.

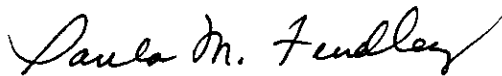
3. Some providers felt the training was a hastily cobbled together effort, and one DHHS representative was perceived as "brusque," "condescending," and "rude" to providers who were seeking compliance guidance.
4. Providers are residents of South Carolina who contribute to the common good in many ways. The decision to allow out-of-state providers to set up store fronts in our state without the track record of service and without proper accreditation was not in the best interest of a collaborative service infrastructure and building a culture of collaboration.
5. Providers believe DHHS is now reducing previously established and medically necessary service units at the peril of children and families due to lack of notice.
6. We have to address the underlying alignment of missions between DHHS and DSS. In a meeting with Governor Haley and Mr. Austin M. Smith, Esquire, recently, we asked her to discuss the needs of SC DSS with you, and to ask for your cooperation in directing your staff to provide assistance to Ms. Alford in developing service array solutions and meeting other ongoing DSS needs. Governor Haley agreed to do so. DSS has been impacted by the RBHS changes.
7. Providers believe this Bulletin creates unnecessary pressures for DSS to spend state dollars for services that might be difficult to secure through Medicaid because of these over-reaching prior authorizations.
8. RBHS Billing codes have never been repaired, and there may be more than one provider on any given day. Providers have repeatedly reported claims being rejected by providers who clearly served the child or family. This should be corrected with the proper edits so that providers can bill for services rendered. With all of the state general fund revenue appropriated to DHHS, its claims processing system should be able to process two claims on any given day for services rendered by different providers.
9. The RBHS Medicaid Bulletin does not synchronize with all of the "system of care" rhetoric regarding building a front – end service array. Private providers are not willing to enroll in the Medicaid program because they perceive they are treated disrespectfully, threatened with retaliation if they speak out, and will be subjected to endless audits. A healthy provider community is essential to the Medicaid program, and providers feel that DHHS representatives are not talking to private providers **as a group** about their needs.
10. State dollars are unnecessarily spent when Medicaid has to reimburse for the CALOCUS and a Diagnostic Assessment. One provider projects that DHHS will spend \$172,000 in one year alone to conduct CALOCUS screens in her program, that is, if there is any provider who will conduct the CALOCUS screens.

11. Medicaid Bulletins that are transmitted on a Friday night, with a Medicaid Manual that is published 3 days later, and was **retroactive**, creates an impossible compliance environment. Providers assert they are unable to digest the entire provider manual, train personnel, change their billing systems, and seek answers to basic contradictions in the Bulletin and the Manual **retroactively**.
12. There is nothing child or family friendly about this new change, and providers feel that the manner in which it was executed is beyond what could be considered reasonable. The last two years have yielded unending changes to the Medicaid behavioral health program.
13. Some providers feel that the units of service and rates are not fair, and do not facilitate truly individual care planning.

It is our hope that we can work toward more collaborative planning and better execution. I understood Governor Haley also wanted this to occur. I invite you and your behavioral health staff to contact our office to set up some meetings with private providers as a group for practical conversations about how to deliver medically necessary services. Better collaboration with our entire network, rather than anecdotal and individual contacts, could have avoided this situation.

Thank you for your consideration on these provider concerns. I look forward to our meeting in April.

Sincerely,



Paula M. Fendley, M. Ed., LMSW
Chief Executive Officer

Cc: ✓ Austin M. Smith, Deputy Chief of Staff
The Honorable Joel Lourie
The Honorable Thomas C. Alexander
Ms. Angie Willis, Senate Finance
The Honorable Tom Young, Jr.