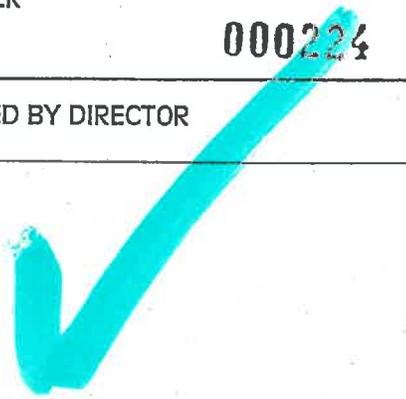


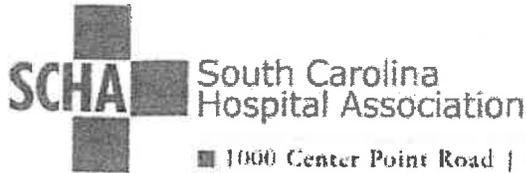
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

**ACTION REFERRAL**

TO <i>Supra/Chavis</i>	DATE <i>1-3-14</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000224</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR 	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____
	<input type="checkbox"/> FOIA DATE DUE _____
	<input checked="" type="checkbox"/> Necessary Action

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1.			<i>Been scanned &amp; distributed but needs to be logged Supra/Chavis - (New year - keep same)**</i>  <i>The Jan</i>
2.			
3.			
4.			



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**RECEIVED**

JAN 02 2014

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

December 23, 2013

Anthony Keck, Director  
South Carolina Department of Health and Human Services  
Post Office Box 8206  
Columbia, SC 29202-8206

and via email: keck@scdhhs.gov

Dear Director Keck:

The South Carolina Hospital Association (SCHA), representing 65 hospitals and healthcare systems in our state, appreciates the South Carolina Department of Health and Human Services' (SCDHHS) transparency in the development of the new Presumptive Eligibility (PE) program as prescribed by the Affordable Care Act. While we understand that the comment period for SCDHHS' PE closed on November 11, 2013, we would like to provide additional comments before the PE State Plan Amendment (SPA) is finalized due to additional information made available to us during the SPA preparation.

A major concern is the fact hospitals will be held liable for the completion of a patient's regular Medicaid eligibility application if PE is granted by the facility. As you well know, this can be a cumbersome process due to lack of cooperation of the potential eligibles. It will generally be far outside of a hospital's control to manage the patient's ability and willingness to provide required information and documentation. We recognize under Section 1902(a)(47)(B), §435.1110 (d)(1) all states have the option of requiring qualified hospitals to help patients apply for Medicaid, but this is neither a requirement of the state nor the hospitals. As a minimal measurement, recipients presumed to be eligible for Medicaid must simply be told by the PE hospital how to apply and obtain a full Medicaid application.

The measurement should ensure that hospitals are not abusing the PE program by recognizing relaxed standards, rather than requiring hospitals to perform the entire application process. Consequently, we feel that SCDHHS' proposed PE regulation is extreme and we fear that this will cause most hospitals to utilize the program sparingly or not at all. Hospitals that already have a reasonable turn around on eligibility approvals are not likely to participate as the potential cash flow benefit will not exceed the cost of the proposed requirement to process the application. Another alternative that will significantly reduce the need for the PE program overall is an increased involvement of Medicaid sponsored intake workers in the current routine processing of Medicaid applications.

Whatever measurement is determined to be most appropriate by SCDHHS, we fear that a 90% compliance rate is extremely high, particularly in early developmental

stages of the program. Some states have chosen to begin this program with only measurement reporting in early to allow for data collection, without risk to participation in the PE program. While we support this option first, we encourage the agency to at least begin January 1<sup>st</sup> with a requirement at a much lower percentage of attainment and gradually increase it over a period of time as all parties grow accustomed to the process.

Please feel free to contact me by email reply or at (803) 744-3544 if I can provide any further assistance.

Thank you,

A handwritten signature in cursive script, appearing to read "Barney Osborne".

Barney Osborne  
VP, Finance & Reimbursement