

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

**ACTION REFERRAL**

TO <i>Jacobs</i>	DATE <i>10-6-08</i>
---------------------	------------------------

<b>DIRECTOR'S USE ONLY</b>	<b>ACTION REQUESTED</b>
1. LOG NUMBER <i>000193</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>Claud 10/23/08 better attached.</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>10-15-08</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.			

FAX COVER SHEET



**RECEIVED**

OCT 06 2008

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

S. C. SENATE  
SENATE BANKING AND INSURANCE COMMITTEE  
FAX # (803) 212-6299

DATE: October 6, 2008

TO: Bryan Kost

DHHS

FROM: Sandra Bryan

Office of Senator David L. Thomas

FAX NUMBER: 255-8235

PAGES 1 of 8 (Including this page)

MESSAGE:

Please let me know if there is anything we can do.

Thanks,

Sandra  
212-6240

Juli Hudson  
300 Hwy 14  
Simpsonville, SC 29681

**RECEIVED**

OCT 06 2008

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

October 3, 2008

Senator David Thomas Dist. 8, Greenville County  
410 Gressette Building  
Columbia, SC 29201

Dear Senator Thomas:

My name is Juli Hudson and I live in Simpsonville, SC. My son has a complex heart defect known as a Tetralogy of Fallot. When my son, Grayden was born we were told he may not live a week, but after 4 open heart surgeries and several heart catheterizations; he will be turning 15 years old in February.

When Grayden was 3 ½ years old my husband went to a local hospital for an out-patient procedure and did not make it out of the hospital (that is another story). I was 34 years old and left to raise 2 babies alone. My son lost his SSI benefits due to the survivor benefit from my husband and I could not qualify for income based Medicaid coverage because my husband's survivor benefit was counted as my income and was over the limit. My son was placed on TEFRA due to his heart defect and taken out of the income based family amount.

I have been devastated this week to receive from Medicaid a denial of benefits for Grayden stating "he does not meet the disability criteria" and also that "he does not meet the medical level of care for Medicaid services". I immediately called and was told I would have to file an appeal with in 10 days to request his Medicaid coverage continue until a final decision on his case was made, and that if he did use Medicaid while in appeal; if the ruling was not over turned I was responsible to pay back Medicaid.

When I called my son's Cardiologist I was informed by billing that my son's yearly follow up visit was \$1400.00. He continues to have cardiac issues and will have to be followed for life. There is no way possible I can afford even his follow up visit let alone any future catheterizations or surgeries. Even if I had money, no private health insurance company would insure him, due to his heart defect, yet he is not sick enough to continue Medicaid coverage?

No one ever asks God to give them a sick child or take a spouse away or looks forward to raising 2 children by themselves, but those are the cards I was dealt and both my husband and I worked hard, put into the system and I have never taken advantage of anything. I don't qualify for any assistance or help due to my husband's survivor benefit (money he put into the system) is held against me and counted as my income. I have fought this for 10 years and dealt with it, but now I am truly lost to have my son's Medicaid denied, when he still needs care that I can not pay for myself.

I have appealed and asked for a hearing to re-open my son's case. I am sending you copies of what I have sent Medicaid thus far, including a letter from my son's Cardiologist.

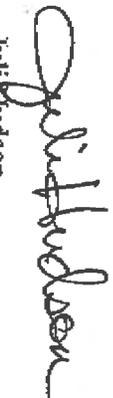
I know my son is not "handicapped" in a wheel chair or on oxygen, but he does continue to have a heart defect that needs follow up, and it is not fair for Medicaid to just release him and say "oh well". I know there are people on Medicaid that do not even have any medical problems, is it right that my son is denied coverage when he has been covered from birth and he actually has a problem?

I have lost my daughter's income based Medicaid, but she is healthy, so I just have to deal with that the best I can; however, I can not say the same for my son. Grayden has to have medical coverage due to his heart defect, and I can not provide it.

I do not know exactly what you can do to help me, as I said I am truly lost. I do not know what the next steps are in this appeal process or how to get the decision over turned. I would appreciate anything you could do, a phone call you could make, whatever.

I appreciate you taking the time out of your busy schedule to read this, and again would appreciate any assistance you could offer.

Sincerely,



Juli Hudson  
attachments

October 1, 2008

Attn: Rhonda Tucker  
Ref: Grayden Hudson ID #2304088003  
Request for Appeal/Hearing

Dear Ms. Tucker,

Please accept this FAX as original.

I disagree with the decision to stop my son's TEFRA Medicaid coverage and wish at this time to request a hearing to have his case re-opened.

I would also like to request at this time, that his Medicaid coverage continue until a final decision has been in his case.

My son has a Tetralogy of Fallot heart defect and has had several open heart surgeries. As a widow parent trying to raise two children there is no way I can pay for even Grayden's follow up visits with his Cardiologist which I understand is \$1400.00. When my husband passed away my children could not qualify for income based Medicaid due to my husband's survivor benefit being over the limit to qualify. Grayden was placed on TEFRA due to his heart defect. I find it hard to believe that "he does not meet the level of medical coverage for Medicaid services". He will continue to have cardiac issues and future procedures through out his life.

Please use the attached letter from Grayden's Cardiologist Dr. Raunaker to support why I MUST ask for his case to be re-opened and re-evaluated.

I wait to hear back from you, as to the next step to complete this appeal process.

Sincerely,



Juli Hudson  
attachment

cc: Rep. Garry Smith District 27  
Senator David Thomas District 8

South Carolina Medicaid Program  
Notice that Medicaid Coverage Will End

STATE OFFICE COUNTY DHHS  
P. O. Box 100101  
Columbia SC 29202-0000

GRAYDEN V HUDSON  
300 HWY 14  
SIMPSONVILLE SC 29681

Date: 09/25/2008  
Worker Name:  
RHONDA TUCKER  
Telephone: 803 898-2786  
BG #: 87239126  
HH #: 100766200  
47 RHONT

Medicaid coverage for the people listed below will end on: 11/01/2008

Beneficiary name:  
GRAYDEN V. HUDSON

Beneficiary Medicaid ID#: 2304088003

Reasons: Medicaid coverage will end because:  
You do not meet the disability criteria.  
You do not meet the medical level of care for Medicaid services.

You may get a copy of the manual or policy information that requires your case to be closed from your worker. Manual/policy reference supporting this action: 102.06.02A, 304.06.01

You may qualify for Medicaid under other programs if there have been changes in your family, health or income since your last application or review. If there have been changes that we do not know about, you should re-apply.

To re-apply you can do one of the following:

- Contact a Medicaid eligibility worker in the county where you live.
- Call 1-888-549-0820 and ask that a Medicaid application be mailed to you. This is a free call.
- Use the computer to get an application from our website at [www.dhhs.state.sc.us](http://www.dhhs.state.sc.us).

If the reason shown above states that your Medicaid coverage will stop because of "Failure to Return Review Form" AND you have not received a review form or have already returned your review form, please contact your worker right away.

Fair Hearing

If you feel your case has been closed in error, you may ask for a fair hearing before the South Carolina Department of Health and Human Services.

- To ask for a fair hearing, send a request in writing, along with a copy of this letter, within 30 days to your worker.
- You can hire an attorney to help you or you can have someone come to the hearing and speak for you.
- If you request a hearing within 10 days of the date on this letter, you can ask in your request that your Medicaid coverage continue until a final decision is made by the hearing officer. However, if the hearing officer rules that the decision to close your case was correct, you will be required to pay back any Medicaid benefits you received while your case was being reviewed.



**UNIVERSITY MEDICAL GROUP**

Department of Pediatrics  
William F. Schmidt, MD, PhD, Chair

**Pediatric Cardiology**

Benjamin S. Heene, MD  
Jon F. Lucas, MD  
David G. Malpass, MD  
L. Renee Heathorn, MD  
R. Austin Rauwiler, MD

(864) 654-5120  
(864) 454-5126 fax

Andrew Johnson  
Department Manager  
(864) 454-5177

Adolescent Medicine  
(864) 220-7200

Ambulatory  
(864) 220-7200

Child Abuse/Neglect  
(864) 677-3633

Critical Care (PICU)  
(864) 455-4911

Developmental-  
Behavioral  
(864) 454-5115

Endocrinology  
(864) 454-5100

Gastroenterology  
(864) 454-5125

Hematology/Oncology  
(864) 455-8898

Infectious Disease  
(864) 454-5130

Inpatient  
(864) 455-1258

Nephrology  
(864) 454-5105

Neurology  
(864) 454-5110

Neurology  
(864) 455-7847

Orthopedic Surgery  
(864) 455-6030

Rehabilitation  
(864) 455-6840

Sleep Medicine  
(864) 454-5660

Surgeon  
(864) 455-5070

September 30, 2008

Re: Grayden Hudson

Date of Birth: February 24, 1994

To Whom It May Concern:

I have had the privilege of following Grayden after repair of his complex Tetralogy of Fallot. Although he has been stable he remains a lifelong SBE prophylaxis candidate and will need regular monitoring of his repair for life.

He was last seen in April 2008 with stable findings not requiring additional diagnostic workup or surgical intervention at that time. I have recommended annual follow-up with his next appointment being scheduled for spring 2009 with me in my Greenville office. At that time I anticipate obtaining a new baseline EKG, echocardiogram, Holter monitor to reassess his anatomic function and baseline rhythm status. He is at risk over his lifetime of myocardial and anatomic dysfunction which may need repair and at risk for late onset arrhythmia which may require medical or interventional therapies.

I understand he has been released from Medicaid coverage. I support review of his case for reapplication for Medicaid, TEFRA, or Children's Rehabilitative Services to support coverage for these important periodic reassessments.

Please feel free to contact me through my office if you have additional questions or concerns.

Sincerely yours,

R. Austin Rauwiler, MD, FAAP, FACC  
GHS Pediatric Cardiology  
200A Palenwood Drive, Suite 200  
Greenville, South Carolina 29601  
864-454-5120

# State Farm Insurance Companies



8900 Amberglen Blvd  
AUSTIN TX 78729-1110

September 22, 2008

Juliana Hudson  
300 Highway 14  
SIMPSONVILLE SC 29681

State Farm Life  
Insurance Company  
8900 Amberglen Blvd  
AUSTIN TX 78729-1110

Proposed Insured: Grayden Hudson  
Applicant: Juliana Hudson  
Application: LF-2560-0594

### NOTICE AND REASON FOR NON-ISSUE

Thank you for your recent application to State Farm for life insurance on the life of Grayden Hudson.

After reviewing the application carefully, we are unable to extend an offer of life insurance. The decision is due to Tetralogy of Fallot as indicated in the application and Attending Physician's Statement from DR ROBERT A RAUNIKAR.

No payment was submitted with the application.

Lisa Gomez, ACS  
Life Underwriter

Agent: Anthony Benson Ph. 864-862-7373

HURO MRI (2-31-2651) 40-1870

10/06/2008 02:33PM

Juli Hudson  
300 Hwy 14  
Simpsonville, SC 29681

Log # 193  
From Sen Thomas  
Dwi: 10/15/08

October 3, 2008

Rep. Garry Smith Dist. 27, Greenville  
312C Blatt Building  
Columbia, SC 29201

Dear Representative Smith:

My name is Juli Hudson and I live in Simpsonville, SC. My son has a complex heart defect known as a Tetralogy of Fallot. When my son, Grayden was born we were told he may not live a week, but after 4 open heart surgeries and several heart catheterizations, he will be turning 15 years old in February.

When Grayden was 3 ½ years old my husband went to a local hospital for an out-patient procedure and did not make it out of the hospital (that is another story). I was 34 years old and left to raise 2 babies alone. My son lost his SSI benefits due to the survivor benefit from my husband and I could not qualify for income based Medicaid coverage because my husband's survivor benefit was counted as my income and was over the limit. My son was placed on TEFRA due to his heart defect and taken out of the income based family amount.

I have been devastated this week to receive from Medicaid a denial of benefits for Grayden stating "he does not meet the disability criteria" and also that "he does not meet the medical level of care for Medicaid services". I immediately called and was told I would have to file an appeal with in 10 days to request his Medicaid coverage continue until a final decision on his case was made, and that if he did use Medicaid while in appeal, if the ruling was not over turned I was responsible to pay back Medicaid.

When I called my son's Cardiologist I was informed by billing that my son's yearly follow up visit was \$1400.00. He continues to have cardiac issues and will have to be followed for life. There is no way possible I can afford even his follow up visit let alone any future catheterizations or surgeries. Even if I had money, no private health insurance company would insure him, due to his heart defect, yet he is not sick enough to continue Medicaid coverage?

No one ever asks God to give them a sick child or take a spouse away or looks forward to raising 2 children by themselves, but those are the cards I was dealt and both my husband and I worked hard, put into the system and I have never taken advantage of anything. I don't qualify for any assistance or help due to my husbands survivor benefit (money he put into the system) is held against me and counted as my income. I have fought this for 10 years and dealt with it, but now I am truly lost to have my son's Medicaid denied, when he still needs care that I can not pay for myself.

I have appealed and asked for a hearing to re-open my son's case. I am sending you copies of what I have sent Medicaid thus far, including a letter from my son's Cardiologist.

I know my son is not "handicapped" in a wheel chair or on oxygen, but he does continue to have a heart defect that needs follow up, and it is not fair for Medicaid to just release him and say "oh well". I know there are people on Medicaid that do not even have any medical problems, is it right that my son is denied coverage when he has been covered from birth and he actually has a problem?

I have lost my daughter's income based Medicaid, but she is healthy, so I just have to deal with that the best I can, however, I can not say the same for my son. Grayden has to have medical coverage due to his heart defect, and I can not provide it.

I do not know exactly what you can do to help me, as I said I am truly lost. I do not know what the next steps are in this appeal process or how to get the decision over turned. I would appreciate anything you could do, a phone call you could make, whatever.

I appreciate you taking the time out of your busy schedule to read this, and again would appreciate any assistance you could offer.

Sincerely,



Juli Hudson  
attachments

October 1, 2008

Attn: Rhonda Tucker  
Ref: Grayden Hudson ID #2304088003  
Request for Appeal/Hearing

Dear Ms. Tucker.

Please accept this FAX as original.

I disagree with the decision to stop my son's TEFRA Medicaid coverage and wish at this time to request a hearing to have his case re-opened.

I would also like to request at this time, that his Medicaid coverage continue until a final decision has been in his case.

My son has a Tetralogy of Fallot heart defect and has had several open heart surgeries. As a widow parent trying to raise two children there is no way I can pay for even Grayden's follow up visits with his Cardiologist which I understand is \$1400.00. When my husband passed away my children could not qualify for income based Medicaid due to my husband's survivor benefit being over the limit to qualify. Grayden was placed on TEFRA due to his heart defect. I find it hard to believe that "he does not meet the level of medical coverage for Medicaid services". He will continue to have cardiac issues and future procedures through out his life.

Please use the attached letter from Grayden's Cardiologist Dr. Rannaker to support why I MUST ask for his case to be re-opened and re-evaluated.

I wait to hear back from you, as to the next step to complete this appeal process.

Sincerely,



Juli Hudson  
attachment

cc: Rep. Garry Smith District 27  
Senator David Thomas District 8

**South Carolina Medicaid Program  
Notice that Medicaid Coverage Will End**

STATE OFFICE COUNTY DHHS  
P. O. Box 100101  
Columbia SC 29202-0000

GRAYDEN V HUDSON  
300 HWY 14  
SIMPSONVILLE SC 29681

Date: 09/25/2008  
Worker Name:  
RHONDA TUCKER  
Telephone: 803 800-2786  
BG #: 87239126  
HH #: 100768290  
47 RHCMT

Medicaid coverage for the people listed below will end on: 11/01/2008

Beneficiary name:  
GRAYDEN V. HUDSON

Beneficiary Medicaid ID#: 2304088003

**Reasons: Medicaid coverage will end because:**  
You do not meet the disability criteria.  
You do not meet the medical level of care for Medicaid services.

You may get a copy of the manual or policy information that requires your case to be closed from your worker. Manual/policy reference supporting this action: 102.06.02A, 204.06.01

You may qualify for Medicaid under other programs if there have been changes in your family, health or income since your last application or review. If there have been changes that we do not know about, you should re-apply.

To re-apply you can do one of the following:

- Contact a Medicaid eligibility worker in the county where you live.
- Call 1-888-549-0820 and ask that a Medicaid application be mailed to you. This is a free call.
- Use the computer to get an application from our website at [www.dhhs.state.sc.us](http://www.dhhs.state.sc.us).

If the reason shown above states that your Medicaid coverage will stop because of "Failure to Return Review Form," AND you have not received a review form or have already returned your review form, please contact your worker right away.

**Fair Hearing**

If you feel your case has been closed in error, you may ask for a fair hearing before the South Carolina Department of Health and Human Services.

- To ask for a fair hearing, send a request in writing, along with a copy of this letter, within 30 days to your worker.
- You can hire an attorney to help you or you can have someone come to the hearing and speak for you.
- If you request a hearing within 10 days of the date on this letter, you can ask in your request that your Medicaid coverage continue until a final decision is made by the hearing officer. However, if the hearing officer rules that the decision to close your case was correct, you will be required to pay back any Medicaid benefits you received while your case was being reviewed.



## UNIVERSITY MEDICAL GROUP

Department of Pediatrics  
William E. Schmidt, MD, FAAP, Chair

September 30, 2008

Re: Grayden Hudson  
Date of Birth: February 24, 1994

To Whom It May Concern:

I have had the privilege of following Grayden after repair of his complex Tetralogy of Fallot. Although he has been stable he remains a lifelong SBE prophylaxis candidate and will need regular monitoring of his repair for life.

He was last seen in April 2008 with stable findings not requiring additional diagnostic workup or surgical intervention at that time. I have recommended annual follow-up with his next appointment being scheduled for spring 2009 with me in my Greenville office. At that time I anticipate obtaining a new baseline EKG, echocardiogram, Holter monitor to reassess his anatomic function and baseline rhythm status. He is at risk over his lifetime of myocardial and anomalous dysfunction which may need repair and at risk for life threat arrhythmia which may require medical or interventional therapies.

I understand he has been released from Medicaid coverage. I support review of his case for reapplication for Medicaid, TEFRA, or Children's Rehabilitative Services to support coverage for these important periodic reassessments.

Please feel free to contact me through my office if you have additional questions or concerns.

Sincerely yours,

R. Austin Rauwiker, MD, FAAP, FACC  
GH3 Pediatric Cardiology  
200A Patwood Drive, Suite 200  
Greenville, South Carolina 29681  
884-454-5120

### Pediatric Cardiology

Benjamin S. Horne, MD  
Jon R. Lusk, MD  
David G. Hatcher, MD  
A. Peter Macfarlane, MD  
R. Arlyn Swanson, MD

(864) 654-5120  
(864) 654-5125 fax

Andrew Johnson  
Department Manager  
(864) 654-5117

Adelberton Hoffman  
(864) 220-7180

Archiebery  
(864) 220-7180

Chad Albrechtspack  
(864) 672-8838

Critical Care (PCCU)  
(864) 653-6911

Developmental-  
Behavioral  
(864) 654-5115

Endocrinology  
(864) 454-5100

Gastroenterology  
(864) 454-5125

Hematology/Oncology  
(864) 455-4888

Infectious Disease  
(864) 454-5130

Neurology  
(864) 455-1294

Nephrology  
(864) 454-5105

Neurology  
(864) 454-5110

Orthopedic  
(864) 653-7877

Orthopedic Surgery  
(864) 653-6000

Pediatrics  
(864) 654-4848

Physiology  
(864) 654-6600

Surgery  
(864) 653-3070

# State Farm Insurance Companies



8900 Amberglen Blvd  
AUSTIN TX 78729-1110

September 22, 2008

Juliamn Hudson  
300 Highway 14  
SIMPSONVILLE SC 29681

State Farm Life  
Insurance Company  
8900 Amberglen Blvd  
AUSTIN TX 78729-1110

Proposed Insured: Grayden Hudson  
Applicant: Juliamn Hudson  
Application: LF-2560-0594

## NOTICE AND REASON FOR NON-ISSUE

Thank you for your recent application to State Farm for life insurance on the life of Grayden Hudson.

After reviewing the application carefully, we are unable to extend an offer of life insurance. The decision is due to Tetralogy of Fallot as indicated in the application and Attending Physician's Statement from DR ROBERT A RAUNIKAR.

No payment was submitted with the application.

Lisa Gomez, ACS  
Life Underwriter

Agent: Anthony Bannon Ph. 864-862-7373

HIK0 NRI (2-31-2651) 40-1670

10/13/2008 09:35AM



*Log # 193*

State of South Carolina  
Department of Health and Human Services

Mark Sanford  
Governor

Emma Forkner  
Director

October 23, 2008

Ms. Juli Hudson  
300 Highway 14  
Simpsonville, South Carolina 29681

Dear Ms. Hudson:

Senator David Thomas asked our agency to assist with your questions concerning Medicaid eligibility.

Your son Grayden's coverage under Medicaid's Tax Equity and Fiscal Responsibility Act (TEFRA) program was scheduled to end on November 1, 2008 because he no longer meets the disability criteria or medical level of care. Your request to appeal this decision was received on October 8, 2008, by our Division of Appeals and Hearings, and a fair hearing is scheduled for November 13, 2008. You should have received a certified letter providing more information about the fair hearing process. As you requested, Grayden will continue to receive coverage during the appeals process. If the decision is not in your favor, you will be responsible for any Medicaid payments made after November 1, 2008. If you have any questions regarding the appeals process, please contact your hearing officer, Ms. Jan Goode, at (803) 898-2658.

An alternate healthcare option is through the Healthy Connections Kids (HCK) program that offers medical coverage for uninsured children whose family income is less than 200% of the Federal Poverty Level (\$3,533 for a family of four). We have enclosed information on the HCK program along with an application should you choose to apply.

Also enclosed is information on other programs and organizations that may be able to assist with prescriptions, inpatient hospitalization and healthcare needs. If you have questions about the Medicaid program, please contact Ms. Denise Epps at (803) 898-2505 or 1-888-549-0820, Ext. 2505 (toll-free). We hope this information is helpful.

Sincerely,

A handwritten signature in cursive script that reads "Alicia Jacobs".

Alicia Jacobs  
Acting Deputy Director

AJ/cole  
Enclosure



*State of South Carolina*  
Department of Health and Human Services

Mark Sanford  
Governor

Emma Forkner  
Director

October 28, 2008

The Honorable David Thomas  
Member, South Carolina Senate  
District No. 8 – Greenville County  
Post Office Box 142  
Columbia, South Carolina 29202

Dear Senator Thomas:

Thank you for referring Ms. Juli Hudson to our agency with her concerns about Medicaid coverage for her son, Grayden.

A member of our staff has been in direct contact with Ms. Hudson regarding the Medicaid appeals process. She has also been notified of the hearing date, time and location.

Medicaid beneficiaries are entitled to keep their Medicaid while they are appealing if the request for a hearing is made within the 10-day advance notice period; however, if the outcome of the hearing is not in the beneficiary's favor, Medicaid expenses incurred during the appeals process will be the responsibility of the beneficiary.

Thank you for your continued interest and support of the South Carolina Medicaid program. If I may be of further assistance on this or any other matter, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Emma Forkner".

Emma Forkner  
Director

EF/jcole