

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>M400A</i>	DATE <i>12-30-08</i>
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DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER <i>100354</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <i>1-9-09</i>		
2. DATE SIGNED BY DIRECTOR <i>cc: Ms. Terline Quintan Close per Emma, see attached note</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.			<i>neither of these need be approved Per Emma.</i>
2.			
3.			
4.			



MARK SANFORD, Governor  
JON OZMINT, Director

December 22, 2008

**RECEIVED**

DEC 30 2008  
Department of Health & Human Services  
OFFICE OF THE DIRECTOR

Agency Mail Services

Ms. Emma Forkner  
Director

SC Department of Health  
and Human Services  
1801 Main Street  
Columbia, South Carolina 29202

Dear Emma,

First, please accept my sincere appreciation for your assistance in facilitating a 340B purchasing agreement between this agency and Palmetto Health/Richland for HIV/AIDS medications.

We were anticipating that the agreement would be signed by January 2009, enabling us to realize savings of \$2,000,000 on HIV/AIDS related medication during the last six months of this calendar year, with 10% of savings payable to Palmetto Health/Richland for simply partnering with us.

On December 19, 2008, Mr. Paul Duane, Palmetto Richland CFO, called Dr. John Solomon, SCDC Interim Director of Health Services. According to Dr. Solomon, Mr. Duane said that Palmetto Richland was no longer interested in pursuing a partnership related to 340B drug pricing for HIV/AIDS medication. According to Mr. Duane, the Palmetto Health/Richland legal office was concerned about the risk of such a partnership.

I wanted to alert you to this abrupt change in plans.

We are currently working with the Tuomey Healthcare System in Sumter for a similar partnership. Kendall Quinton from your staff has been very helpful in launching this new effort.

While I am unaware of the specific reasons for Palmetto Richland's decision to abandon this money saving partnership, I am aware that at least one other state (LA) has already made a similar arrangement. Since we can no longer count on the savings generated by this partnership with Palmetto Health/Richland, I have copied all members of the Budget and Control Board to inform them that this delay will increase our projected deficit by almost \$2 million.

Director Emma Forkner  
December 22, 2008  
Page 2

Perhaps members of that Board could persuade Palmetto Richland to work with us to save millions on taxpayer expenditures on prescription drugs for inmates.

Thanking you for any assistance that you can provide,

Sincerely,

A handwritten signature in dark ink, appearing to read 'Jon Ozmint', is written over a light blue horizontal line. The signature is fluid and cursive.

Jon Ozmint

JO:JS:dbh  
cc: Budget & Control Board Members



Director's Office  
P. O. Box 21787-444 Broad River Road  
Columbia, South Carolina 29221-1787

Agency Mail Services  
Ms. Emma Forkner, Director  
SC Dept. of Health & Human Services  
1801 Main Street  
Columbia, South Carolina 29202

REC'D  
DEC 1  
Department of Health  
OFFICE OF THE

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

**ACTION REFERRAL**

TO <i>M. Jones</i>	DATE <i>12-30-08</i>
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APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
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JON OZMINT, Director

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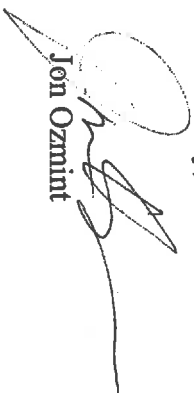
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Jon Ozmint

JO:JS:dbh  
cc: Budget & Control Board Members