

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

EA

TO <i>Roberts</i>	DATE <i>7-22-14</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000027</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Mr. Heck</i> <i>Extend until 8/8/14, see attached e-mail</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>8-15-14</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. <i>Extend until 8-15-14, see attached e-mail.</i>			
2. <i>* Cleared 9/12/14, letter attached.</i>			
3.			
4.			



RECEIVED

JUL 22 2014

Department of Health & Human Services
OFFICE OF THE DIRECTOR

ALAN WILSON
ATTORNEY GENERAL

July 21, 2014

Director Anthony Keck
South Carolina Department of Health and Human Services
P.O. Box 8206
Columbia, South Carolina 29202

Dear Director Keck:

As you are aware, the Medicaid Recipient Fraud Unit (MRFU) of the Attorney General's Office, along with Program Integrity at the South Carolina Department of Health and Human Services, has had much success over the last several years prosecuting fraud and recovering restitution owed the Medicaid Program. Thank you again for your continued partnership and grant funding that has allowed this unit to thrive and become a success.

I am writing today in the hope that we can continue our joint success by addressing the following concerns our office has identified regarding continued achievement of our goals of reducing fraud and recovering funds owed the state of South Carolina.

1. The need for a Memorandum of Understanding (MOU) between DSS, SCDHHS and the Attorney General that will allow Medicaid Fraud investigators to obtain copies of applications submitted to the SNAP program which allowed recipients to obtain Medicaid benefits. The inability to obtain these records currently hinders prosecution of recipients who provide false information to DSS, which results in the recipients receiving Medicaid benefits illegally.
2. The need for MRFU personnel to have access to MEDS, MMIS, and other information systems, ensuring that MRFU investigators have a complete case history on recipients under investigation.

I appreciate your time and attention to the above concerns. It is my hope that this letter results in a meeting between the appropriate members of our respective staffs so that they can create a solution to these and any other issues to ensure our continued success.

Sincerely,

Alan Wilson

AW/am

Brenda James

Log # 00027 Extension
✓

From: Marie Brown
Sent: Friday, July 25, 2014 4:06 PM
To: Brenda James; Jan Polatty; Kathleen Snider; Bruce Carter; Byron Roberts
Cc: Cyndi Myers
Subject: Log Letter 000027

Hi guys,

Per Byron's request, we are asking for an extension of time until August 8, 2014, to respond to the above-referenced log letter. Thanks.

Marie Brown
Administrative Coordinator
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Log #27

Brenda James

From: Marie Brown
Sent: Tuesday, August 12, 2014 10:39 AM
To: Brenda James
Subject: RE: Update on the status of Log Letter 000027 - letter from AG's Office

Until the 15th. Thanks.

Marie Brown
Administrative Coordinator
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From: Brenda James
Sent: Tuesday, August 12, 2014 10:30 AM
To: Marie Brown
Subject: RE: Update on the status of Log Letter 000027 - letter from AG's Office

So we need another extension right, so until what date? bj

Brenda James
Administrative Coordinator I
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From: Marie Brown
Sent: Tuesday, August 12, 2014 10:02 AM
To: Brenda James
Subject: FW: Update on the status of Log Letter 000027 - letter from AG's Office

Thanks.

Marie Brown
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From: Kathleen Snider
Sent: Thursday, August 07, 2014 10:51 AM
To: Brenda James; Jan Polatty
Cc: Marie Brown; Byron Roberts; Bruce Carter; Betty Jane Church
Subject: Update on the status of Log Letter 000027 - letter from AG's Office

As requested, a meeting was held with staff from the Attorney General's Office, Medicaid Recipient Fraud Unit, yesterday (Aug. 6) regarding the letter from the AG's office. We have a plan in place to resolve the issues. Meanwhile, we are seeking another extension of the date for responding in writing to the AG, to next Friday, Aug. 15th. (The first due date was Aug. 1 but due to staff being on annual and medical leave last week, we asked for an extension until this Friday, Aug. 8th.) Mr. Myrick of the AG's staff wanted a date by which we would have a solution in place, so we need time to finalize our plans and be able to provide that information in the letter to the AG. Please call me if any questions – thanks!

Kathleen Snider
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Nikki Haley GOVERNOR
Anthony Keck DIRECTOR
P.O. Box 8206 - Columbia, SC 29202
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September 12, 2014

The Honorable Alan Wilson
Attorney General
P.O. Box 11549
Columbia, South Carolina 29211

RE: Medicaid Recipient Fraud Unit
Letter of July 21, 2014

Dear General Wilson:

Thank you for your letter addressing concerns that have been raised to you by the Medicaid Recipient Fraud Unit (MRFU). Director Keck asked me to respond to you on his behalf. The Department of Health and Human Services (DHHS) also wants the partnership with the Attorney General's Office to continue successfully combatting fraud.

On August 6, 2014, members of the Program Integrity Division and the Office of General Counsel met with Camille Guthrie and Allen Myrick to identify the root causes of the concerns brought to your attention. Based on the discussion, the root cause of concern is that the MRFU is not confident it is receiving complete case information from DHHS, which negatively impacts case development and investigation. Under our Memorandum of Agreement, DHHS is responsible for providing MRFU with information related to the case. At this meeting, it was agreed that DHHS would determine what was necessary to give complete case information to the MRFU. DHHS committed to providing MRFU with all the information it has on referrals, and to have a plan to ensure that the information provided is as complete as possible.

DHHS Program Integrity and Eligibility staff met to determine how to best ensure that complete case information is provided to the MRFU. A second meeting was held with the MRFU staff on August 14, 2014, and a plan was formulated to:

1. Ensure complete submission of all beneficiary case-related information and data to the MRFU for each fraud referral;

2. Provide training to both PI and MRFU staff on eligibility rules and the changes in the eligibility determination process brought about by ACA as well the DHHS's redesign of the eligibility determination workflow and process;
3. Enhance and increase the number of beneficiary fraud referrals to the MRFU.

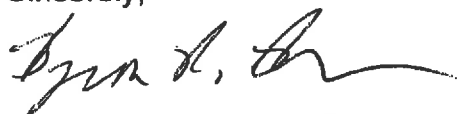
The plan eliminates "holes" that have been identified in the process that was being followed and recognizes the need for developing new sources and methods of identifying potential beneficiary fraud cases. The MRFU will partner with DHHS Program Integrity staff to begin development of beneficiary models based on experience and analysis that may assist in identifying the characteristics common to beneficiary fraud. Better lines of communication and clear policies and procedures will be drafted as well. Both parties seem to agree on this approach and desire to work for common solutions.

The new plan addresses the concern raised about complete case histories on beneficiaries under investigation. It does not address the SNAP application that deems children eligible for Medicaid benefits if the family qualifies for the SNAP program. DHHS recognizes that not having this application creates a problem for MRFU and that it is a piece of information that should be part of a complete case file. DHHS will be contacting DSS determine what will be necessary to have DHHS provided with copies of the SNAP applications for the families whose children are deemed Medicaid eligible. We are in the early stages of this process. We will keep the MRFU informed of progress and include them as much as possible in the process.

We believe that the meetings between DHHS staff and MRFU staff have resulted in an excellent plan for addressing and eliminating the concerns that have been present. We look forward to continued cooperation and partnership between us and continued success in combatting recipient fraud in South Carolina. Thank you for bringing the concerns to our attention.

If you have any questions or need additional information, please contact Kathleen Snider at (803) 898-1050.

Sincerely,



Byron R. Roberts
General Counsel

BRR/b

cc: Anthony E. Keck, Director