

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Liggett</i>	DATE <i>11-10-14</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000114</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>Necessary Action per Annual see attached note</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>11-20-14</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.			
2.			
3.			
4.			



Human Services Provider Association

RECEIVED

NOV 10 2014

Department of Health & Human Services
OFFICE OF THE DIRECTOR

November 6, 2014

Mr. Anthony (Tony) Keck, State Director
South Carolina Department of Health and Human Services
P.O. Box 8206
Columbia, SC 29202

Dear Tony,

The South Carolina Human Services Provider Association (SCHSPA) represents a network of providers who support over 25,000 individuals and their families with disabilities. Our members support 25,189 people and employ a total of 6,039 employees with a combined budget of \$251,500,471. Our collective goal is to improve the lives of individuals with disabilities and assure that our provider system is strong and healthy to deliver these much needed services.

We want to begin by thanking you for your efforts to improve the Medicaid reimbursement system in South Carolina so that all providers receive appropriate reimbursement payments. These changes will certainly address many provider needs in a system that has seen significant reductions over the past several years.

In your letter to Dr. Buscemi dated October 22, 2014 you discuss the changes to the reimbursement structure as well as several timelines that would need to be met by the Department of Disabilities and Special Needs. While we agree in principle with your intent to assure that the proper Medicaid rate is passed on to the provider system, we are very concerned with the timeline for which you expect this to happen. There are a number of potential implications once the rates are adjusted that have not been fully discussed nor has the potential impact of these changes on the provider system been fully evaluated. In addition, as providers these changes have raised a number of questions that could have a debilitating affect on providers, not to mention have significant consequences on our entire service system. Several of the key questions are listed below.

1. Will we be changing from a prospective payment system to a retrospective payment system for all Medicaid services? If yes, are there any plans to assist providers who may not have the cash to support such a change?
2. Are providers going to be subject to the Medicaid audit if they elect to choose direct billing? What role, if any, will DDSN play in the payment for Medicaid services to providers?
3. Under the new payment structure for day supports, will providers now be paid based on actual service delivered? What is the vacancy factor that was used in determining the rate?

4. How will start up and capital needs be addressed for new development projects and existing capital needs for providers?
5. How will providers be involved in the development of the new rate system that is being planned for 2016?
6. How will compliance be funded? What will be included in the administrative contract with DDSN as it relates to compliance duties and who is expected to fund these? How will this be different for those providers that direct bill with DHHS and those that do not?
7. Further clarification is requested regarding #3 in your letter to Dr. Buscemi requiring that "... all non-administrative contract reimbursements paid by DHHS to DDSN must be in aggregate passed through to the direct provider of service until such time that the new "non-band" service specific rates have been finalized and approved by CMS." How can this be accomplished without finalizing the administrative contract between DHHS and DDSN?

In addition, the South Carolina Disabilities Service Provider Coalition sent you a letter a few days ago with a number of questions as well. We feel very strongly that all these questions need to be answered so that all providers are fully informed and can make the appropriate adjustments that will be necessary to assure that services can continue to be provided seamlessly through this transition. We also ask that you consider changing your timeline giving the providers a chance to work through the issues that were raised by the association and coalition.

Again, we are thankful for your efforts on behalf of all providers to improve our Medicaid reimbursement system; however, we are also very concerned that many of the details necessary to proceed with these changes have not been fully discussed and resolved.

With Regards,

Jimmy Burton – Chair SCHSPA, Burton Center
Dr. Gerald Bernard, Vice Chair SCHSPA, Charles Lea Center
Jason Tavenner, Treasurer, SCHSPA, Laurens DDSN Board
Dr. Judy Johnson, Secretary SCPSPA, Babcock Center
Alice Shook, Berkely DDSN Board
Bob Jones, Barnwell DDSN Board
Gloria James, Bamberg DDSN Board
Mary Wagner, Beauford DDSN Board
Beth Bunge, Brightstart
Pike Moss, Calhoun DDSN Board
Joe White, Cherokee DDSN Board
Terry Rogers, CHESCO Services
Sheila McWaters, Chester/Lancaster DDSN Board
Ron Lewis, Clarendon DDSN Board
Dean Redd, Colleton DDSN Board
Celestine Richardson, Dorchester DDSN Board
Laura Collins, Fairfield DDSN Board
Dawn Johnson, Flornance DDSN Board
Elizabeth Kraus, Georgetown DDSN Board
John Cocciolone, Greenville DDSN Board
Elise McQuire, Hampton DDSN Board
Susan John Horry, DDSN Board

Deborah Walsh, Jasper DDSN Board
Mary Mack, Lee County DDSN Board
Thoyd Warren, Kershaw DDS Board
Brent Parker, Marlboro DDSN Board
Stan Butkis, The Mentor Network
Fred Owens, Newberry DDSN Board
Ron Lofts, Orangeburg DDSN Board
Elaine Thena, Pickens DDSN Board
Mary Leitner, Rich/Lex DDSN Board
Deborah K. Smith, Sumter DDSN Board
Lou Stackhouse, Union DDSN Board
Clara Faye Dozier, Williamsburg DDSN Board
Mike Kieth, Marion/Dillon DDSN Board

cc: Christine Sharp, Chair-DDSN Commission
Beverly Buscemi, Director of DDSN
Angie Willis, Office of SC Senate
Ryan Burnaugh, Office of SC House of Representatives
Martha Casto, Office of the Honorable Senator Harvey S. Peeler, Jr.
Jackie Glaze, CMS Region IV Associate Regional Administrator
Rick Magner, SC Disabilities Service Provider Coalition

South Carolina Human Services Provider Association (SCHSPA)
2605 Hwy 72/221 E.
Greenwood, SC 29649

GREENVILLE SC 296

06 NOV 2014 PM 6:11



Mr. Anthony (Tony) Keck, State Director
SC Department of Health & Human Services
P.O. Box 8206
Columbia, SC 29202

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OFFICE OF THE DIRECTOR



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OFFICE OF DIRECTOR**

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1. LOG NUMBER 000114	<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 <i>[redacted]</i>
	<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>Ben - Please change to Necessary action. Thanks Anne 2/6/15</i>
2.			
3.			
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1. Will we be changing from a prospective payment system to a retrospective payment system for all Medicaid services? If yes, are there any plans to assist providers who may not have the cash to support such a change? **NO**
2. Are providers going to be subject to the Medicaid audit if they elect to choose direct billing? What role, if any, will DDSN play in the payment for Medicaid services to providers?
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UP TO DDSN

money

4. How will start up and capital needs be addressed for new development projects and existing capital needs for providers?
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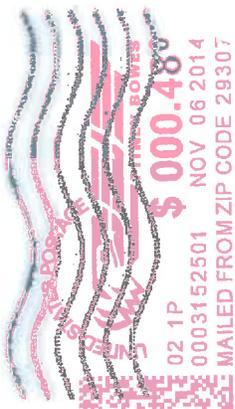
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cc: Christine Sharp, Chair-DDSN Commission
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Angie Willis, Office of SC Senate
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