

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

**ACTION REFERRAL**

TO <i>Myers</i>	DATE <i>10-13-08</i>
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<b>DIRECTOR'S USE ONLY</b>	<b>ACTION REQUESTED</b>
1. LOG NUMBER <i>000201</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Gov Office Susan Susan cleared 10/14/08, letter attached. ✓</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>10/22/08</i> 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.			



*Lancaster Women's Center, P.A.*

*Douglas L. Tiedt, M.D.*

(OBSTETRICS & GYNECOLOGY)

1370 West Meeting Street • P.O. Box 1897 • Lancaster, South Carolina 29721  
(803) 286-6922

September 29, 2008

Governor Mark Sanford  
Office of the Governor  
P.O. BOX 12267  
Columbia, SC 29211

Dear Governor Sanford,

My name is Dr. Douglas L. Tiedt, M.D. I am an obstetrician/gynecologist in Lancaster, South Carolina. I have lived in this state for 22 years. I moved here from Miami, Florida after serving in the United States Navy. I was attracted to the area because of the ability to hunt and fish and still be available to serve my patients. The hospital in Lancaster was kept up to date and Springs Industries was a thriving employer here. Over the years Lancaster has been reduced to mostly a Medicaid area with little or no employment. It is sad to see the devastation that Springs Industries has created to this once vibrant town.

Presently, my business consists of rendering care to Medicaid patients, approximately 73% to be exact. With all costs to me as a physician and an employer going up and up, it was devastating news to me when I received a letter from the SC Medicaid office on September 24, 2008 stating our reimbursements will be cut effective October 1, 2008. They are reducing the payment for deliveries from \$1200.00 to \$1000.00 and also our Evaluation and Management codes to 84% of the 2007 Medicaid fee schedule. Our surgery reimbursements are also being reduced. I am requesting that you will look further into this problem and actively proceed to change this problem. This decrease is going to create terrible problems for the indigents and their ability to seek medical care. South Carolina fetal morbidity and mortality is among the highest in our nation now. I cannot foresee any OB/GYN physician desiring to locate to this area and practice. It is impossible to survive financially with all the expenses and such little reimbursement.

Sincerely,

Dr. Douglas L. Tiedt, M.D.

**From:** Bryan Kost  
**To:** Jan Polatky  
**Date:** 10/13/2008 2:32 PM  
**Subject:** Fwd: CONSTITUENT: Lancaster Womens Center  
**Attachments:** Scan001.PDF

Bryan Kost  
DHHS Public Information  
803.898.2865  
cell- 429.3201  
kostbr@scdhhs.gov

>>> "Susan Duncan" <sduncan@gov.sc.gov> 10/6/2008 4:08 PM >>>  
Bryan

I believe Emma has a prepared response for these types of letters.

Please copy me on the response. I will call them after you all send the letter.

Thanks  
Susan

Susan Duncan  
Health Care Policy Advisor  
Office of the Governor



Log # 201  
to close ✓

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

Mark Sanford  
Governor

October 14, 2008

Emma Forkner  
Director

Douglas L. Tiedt, M.D.  
Lancaster Women's Center, P.A.  
1370 West Meeting Street  
Post Office Box 1897  
Lancaster, South Carolina 29721

Dear Dr. Tiedt:

Thank you for taking the time to write about the mid-year budget cuts. Your letter was sent to us from Governor Mark Sanford's office. I am sorry this action is having a negative impact on your practice and I am sympathetic to your concerns about access to care issues. The decision to reduce provider rates was extremely difficult and came only after a mandated \$28.5 million cut to our base budget.

Since deliveries are a large part of our Medicaid service expenditures, it would not be possible to make these necessary reductions without including them. I have attached a rate schedule to this letter that details the impact of the changes to some of the services you provide. As you can see, while delivery rates have decreased, the percentage of reimbursement is still above the Medicare benchmark (see codes 59409/59514).

The reality is that any decrease in reimbursements may be enough to cause some providers to reconsider their voluntary participation with the Medicaid program. It is my sincere hope that providers will resist that temptation and continue to serve the large number of South Carolina residents in need.

According to the most recent revenue forecasts from state economists, the 3% reduction already incurred by state agencies was not sufficient to avoid a state deficit and even more cuts are expected soon. Although the budget situation is fluid, I can assure you that if the legislature returns to consider further cuts we will advocate strongly on behalf of providers like you who offer invaluable services to Medicaid beneficiaries. Thank you again for your letter and please feel free to contact me directly if you wish to discuss this issue further.

Sincerely,

A handwritten signature in black ink that reads "Emma Forkner".

Emma Forkner  
Director

EF:jip

