


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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DIRECTOR'S USE ONLY	ACTION REQUESTED
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 Jussan</i> <i>Cleared 10/14/08, letter</i> <i>attached.</i> 	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>10/22/08</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.			



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 200% 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 Polatty
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

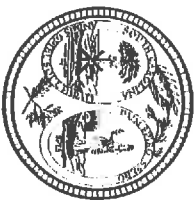
>>> "Susan Duncan" <sduncan@gov.sc.gov> 10/6/2008 4:08 PM >>>
Bryan

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,

Emma Forkner
Director

EF:jip

	Before 10/1/2008		After 10/1/2008		2007 Medicare		2008 Medicare	
	Rate	Percentage	Rate	Percentage	Vaginal C-Sect	Vaginal C-Sect	Vaginal C-Sect	C-Sect
Rate (10 visits on a normal preg.)	\$73.50	86.01%	\$71.16	83.99%	\$85.46	\$85.46	\$84.72	\$84.71
	\$481.20	86.01%	\$470.31	83.51%	\$559.50	\$559.50	\$563.20	\$563.20
ence of Amnio	\$99.74	86.00%	\$95.54	84.00%	\$115.98	\$115.98	\$113.74	\$113.74
	\$51.94	86.01%	\$42.36	84.00%	\$60.39	\$60.39	\$50.43	\$50.43
	\$77.68	86.00%	\$74.36	84.00%	\$90.33	\$90.33	\$88.52	\$88.52
it 1 Only	\$103.57	86.00%	\$99.89	84.00%	\$120.43	\$120.43	\$118.92	\$118.92
weeks	\$101.83	86.00%	\$100.44	84.00%	\$118.41	\$118.41	\$119.57	\$119.57
weeks	\$105.63	86.00%	\$108.20	84.00%	\$122.82	\$122.82	\$128.81	\$128.81
ile	\$91.98	86.00%	\$92.12	84.00%	\$106.95	\$106.95	\$109.67	\$109.67
test (unlimited) average 3 if normal pregnancy	\$31.82	86.00%	\$32.57	84.18%	\$111.00	\$111.00	\$116.31	\$116.31
C-Section	\$1,200.00	178.30% / 150.84%	\$1,000.00	152.05% / 128.60%	\$673.02	\$795.53	\$657.66	777.63
	\$2,482.53	114.70% / 108.56%	\$2,252.29	104.68% / 99.15%	\$2,164.29	\$2,286.80	\$2,151.55	\$2,271.51