

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

**ACTION REFERRAL**

<b>TO</b> <i>W. Myers</i>	<b>DATE</b> <i>9/28/10</i>
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<b>DIRECTOR'S USE ONLY</b>		<b>ACTION REQUESTED</b>	
1. LOG NUMBER <b>100147</b>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____  <input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____  <input type="checkbox"/> FOIA DATE DUE _____  <input checked="" type="checkbox"/> Necessary Action		
2. DATE SIGNED BY DIRECTOR <i>C: Mr. Jackson</i> <i>Wm. Miller</i>			

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1.			
2.			
3.			
4.			



**Beverly A. H. Buscemi, Ph.D.**

*State Director*

**David A. Goodell**

*Associate State Director  
Operations*

**Kathi K. Lacy, Ph.D.**

*Associate State Director  
Policy*

**Thomas P Waring**

*Associate State Director  
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**Kelly Hanson Floyd**

**Nancy L. Banov, M.Ed.**

September 24, 2010

**Ms. Emma Forkner  
Director**

S.C. Department of Health and Human Services  
1801 Main Street  
P.O. Box 8206  
Columbia, SC 29202-8206

Dear Emma:

I want to express my appreciation to you and many of your staff for the hours of expertise, dialogue, and assistance as the Department of Disabilities and Special Needs (DDSN) worked to amend all four of the HCBS Waivers we operate for you. The Waivers have all been amended as follows:

**MR/RD:**

- Modifying Quality Management Sections
- Removing the option for Daily Respite to comply with IRS requirements

**PDD:**

- Modifying Quality Management Sections
- Removing the option for Daily Respite to comply with IRS requirements

**HASCI:**

- Modifying Quality Management Sections
- Removing the option for Daily Respite to comply with IRS requirements

**DISTRICT I**

P.O. Box 239  
Clinton, SC 29325-5328  
Phone: (864) 938-3497

Midlands Center - Phone: 803/935-7500  
Whitten Center - Phone: 864/833-2733

**1**

9995 Miles Janison Road  
Summerville, SC 29485  
Phone: 843/832-5576

**DISTRICT II**

Coastal Center - Phone: 843/873-5750  
Pee Dee Center - Phone: 843/664-2600  
Saleeby Center - Phone: 843/332-4104

**RECEIVED**  
SEP 28 2010  
Department of Health & Human Services  
OFFICE OF THE DIRECTOR

CS:

- Modifying Quality Management Sections
- Removing the option for Daily Respite to comply with IRS requirements
- Reserving capacity in the Waiver for those currently receiving DDSN funded services
- Clarifying and updating information in the Waiver to be consistent with current policy and practice

The amendments in all four Waivers were planned to be submitted to CMS before October 1, 2010, with the request for an effective date of January 1, 2011. A hold-up to submitting these amendments has been the finalization of treatment of administrative cost related to DDSN's Organized Health Care Delivery System. Given that DHHS and DDSN have agreed on the methodology which DDSN will employ to determine the administrative costs and the utilization to adjust the Waiver reimbursements for 2011 via a retrospective cost settlement process, we believe the current Waiver amendments we submitted to DHHS are complete, ready for DHHS review and approval, with the hope they can move forward to CMS by Thursday, September 30, 2010. These amendments are essential for DDSN budget stability.

I do understand from my staff, that we could have done a better job in preparing the amendments and keeping your staff informed of updates, changes and progress. Please be assured that we are committed to improving our level of communication with DHHS as we move forward in considering any future amendments to any of the Waivers.

We are grateful to DHHS for the many years of support for people with lifelong disabilities from you and your staff.

Sincerely,



Beverly A.H. Buscemi, Ph.D.  
State Director

cc: Mr. Jeff Saxon, Reimbursement Methodology, SCDHHS  
Mr. Sam Waldrep, Long Term Care and Behavioral Health, SCDHHS