

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Myers / Higgins</i>	DATE <i>11-2-07</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000236</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <i>11-9-07</i>
2. DATE SIGNED BY DIRECTOR <i>Claude 11/9/07, letter attached.</i>	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____ <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.			

Honorage Nursing Center
1207 North Cashua Drive
Florence, SC 29501

843-665-6172

Fax 843-665-1233

RECEIVED

OCT 30 2007

Department of Health & Human Services
OFFICE OF THE DIRECTOR

October 26, 2007

South Carolina Department of Health and Human Services
P.O. Box 8206
Columbia, SC 29202-8206

Attention: Mrs. Emma Forkner, Director

Dear Mrs. Forkner:

(Copy of letter sent to Mr. Randy Lee, SCHCA)

First let me commend you on your endeavor in dealing with the disorientation that each of South Carolina's Long Term Care facilities is being subjected to with LogistiCare and SC DHHS. I have read your comments attached to the press release from Mr. Curtis M. Loftis, Jr. with the Lt. Governor's Office on Aging. I would like to personally thank each of you for standing up and refusing to participate in the blatant disregard of state law and un concealed violations being put forth by HHS. Until I read your comments, I honestly felt as if the facilities had been forgotten and left to fend for themselves.

I have appointed one of my staff members to begin tracking each individual complaint that our facility is experiencing with LogistiCare because of the volume of complaints as well as the amount of my payroll time, as well as my resident's nursing time, that has to be dedicated towards straightening out each of their mistakes. Mistakes which, if permitted to continue, could potentially lead to actual resident harm and suffering if not for my staff's refusal to allow it. I am willing to provide you with the complaint information HHS does not wish for you to be exposed to and permit you to draw your own conclusions regarding the morality of the business practices being carried out by LogistiCare with acquiescence of HHS.

Our facility was visited on Tuesday, October 22, 2007 by Mr. Kendall Quinton of HHS and Mrs. Dayna Holford of LogistiCare at the urging of Governor Sanford's office because of letters that I sent to him as well as many others. This meeting did not produce a single resolution to the constant difficulties my facility is experiencing with LogistiCare and obtaining our transport arrangements and added to our troubles. Mr. Quinton personally hand wrote the "Transportation Hotline Number" of 866-915-3025 and provided it to us in the event of irresolvable issues and verbally promised me that someone was assigned to carry that phone 24 hours per day and that they checked it often assuring me that a response would be received to any calls within 10-15 minutes. This was "hot air" being expelled by a meaningless messenger assigned by HHS to pacify this facility, which to be honest is what I anticipated when they first contacted me to arrange for the meeting. I invite you to dial that number and time the response for yourself to determine how dedicated they are to providing honorable services to South Carolina's most vulnerable citizens. I would also like to direct you to the web page for HHS providing the "Where's my ride" number and the absence of a link for home bound consumers to voice complaints to HHS regarding the lack of services and immoral business practices of LogistiCare. (<http://www.dhhs.state.sc.us/dhhsnew/TransportationFAQ.asp>)

On October 24, 2007, we experienced another event in which a trip that was faxed to LogistiCare on 10/12/07 by one of my floor nurses was not booked because they did not have yet another form to accompany it. Not one person from LogistiCare thought it important to alert this facility that the trip had not been booked as requested by fax on 10/12/07 nor did they attempt to get any clarification from my staff. They simply ignored the trip, as I believe they've been trained to do. Instead, throughout the 4 ½ hours worth of conversations between my Registered Nurse and one of many LogistiCare representatives, Mr. Eddie Hensley with LogistiCare had the audacity to instruct Kim, our "facility representative", to tell us to call the 911 Emergency Response System to take this resident to the doctor's office instead of using our primary ambulance service provider, which, by the way, LogistiCare does not attempt to honor our existing contract and frequently sends the wrong ambulance company to our facility placing us in jeopardy of contract violation. Throughout the course of that afternoon, my RN placed a total of 5 calls to that hotline number and left 5 messages in a span of an hour and a half and not one of those calls was returned as promised by Mr. Quinton. Mr. Brian Kost finally called back and provided Mrs. Dayna Holford's cell phone numbers, which were conveniently not receiving incoming calls as has been our experience with each complaint number presented to this facility. The payroll time invested in this runaround today cost my facility in excess of \$90.00 and cost my residents care to attempt to reduce the cost of her transport from stretcher to wheelchair van. This basically offsets that cost to my payroll department and I simply can't afford to continue to finance their incompetence. The trip was run by stretcher anyway due to the gynecological nature of the appointment and the contractions of the resident. They saved nothing.

LogistiCare has taken it upon themselves to institute a "new policy" requiring a doctor's signature for each and every single medicaid stretcher transport that leaves my facility. Think about that for a moment. This is not a requirement of Medicaid or South Carolina by any means and should not be permitted to be a requirement of LogistiCare. They are using this as a loophole for denying payment for transports and an excuse for failure to book the trips as needed by the facilities. If an RN signature is sufficient for SC, as noted on the 216 we are so often referred to, then it really should be adequate to satisfy Logisticare unless their intentions are to make it as difficult on the facilities as they possibly can and justify the denials that it appears is their ultimate goal to obtain. Do you have any idea how many transports leave our facility to go to the wound center for treatments on their bottoms, for 5 and 6 hour treatments at the dialysis clinics, for urological consults, etc. that demand stretcher transport? Our staff physician's are quickly going to become annoyed at having to meet requirements for transport which are not mandated by the state. This will eventually lead to increased reluctance of physicians to provide services for our elderly in long term care facilities at all. Is this requirement also being forced on vulnerable citizens at home? If so, that is inexcusable. If not, then it is prejudicial towards the facilities. This new form, we were informed of during the meeting with Mrs. Holford on October 22, 2007, at that time should already have been in place for about two weeks. This is yet another fine example of the lack of communication on the part of LogistiCare.

I personally feel that the resistance of HHS to be forthcoming with the Medicaid Transportation Advisory Committee regarding complaints and problems being experienced by the facilities, transport companies, and residents receiving the services is due primarily to the embarrassment at how bad the situation really is. They are reluctant to admit that they made a mistake when they sent \$233 million out of South Carolina and into the hands of a company that has a frequently proven failed track record in each and every single state they are operating in. Simple basic internet research has revealed this and is available for public review. Instead, it would

have been much more prudent for someone from HHS to finally be held accountable for performing the job they have been being paid to execute as it should have been done and eliminated the fraud and abuse of the system themselves. HHS should feel publicly disgraced at their obvious powerlessness to manage their own office. That office permitted this situation to become as enormous as it has become. I feel quite confident that \$233 million would have gone a long way towards hiring additional staff needed to ensure that fraudulent claims were eliminated from our state and that the bad apples were removed from the barrel; however, this would have required effort and accountability on their part. \$233 million taxpayer dollars unnecessarily spent to perform their duties; in essence, they hired someone else to do the job they are being paid for. HHS certainly doesn't have a problem with annual facility inspections which could have easily been extended to the transport companies as well as the denial of claims, fines, and penalties for failure to operate legitimately and straightening out the mess they have permitted to occur. \$233 million taxpayer dollars that should have been available to provide basic denture adjustments for institutionalized citizens aged 65 or older.

I am convinced that the sole reason the transition to this broker was conducted without facility notification was a brilliant calculation by HHS so that the facilities had absolutely no time to respond or protest. The handling of which, Mr. Quinton boldly apologized for in this facility to everyone in attendance of the meeting and acknowledged was extremely unprofessional. Our facility was notified of the intention to begin using LogistiCare a full 16 days after the effective date of implementation that the services had even been initiated or what they were intended to do. The response of HHS was "It was posted on our web page". Not a single employee of this facility makes it a point to come to work and check that web page to see if our long established protocols of operation have been changed by a state office without informing us.

At this time, I would like to extend my cooperation with your office in effort to resolve the issues that are adversely affecting the residents of my facility. Surely, if they are affecting our residents then they must also be having adverse consequences for South Carolina's most vulnerable citizens living at home who do not have anyone to stand up to this company and defend their rights to be treated as human beings instead of annoyances and shuttled around like cattle. This situation is quite disturbing to me and I am certain that I am not the only LTC Administrator to have those feelings. My only other recourse at this time is to alert the news media of this injustice to our elderly and the obvious abuse of power being practiced by LogistiCare with the permission of HHS.

Sincerely,



Howard W. Clarke
Administrator

P.S. It's hard for me to believe that all health care providers are wrong and that a few at HHS think they are right.

CC: Mr. Rickie Shearer, Chairman SCHCA
Fred Seale, CPA
Randy Lee, President SCHCA
File



State of South Carolina
Department of Health and Human Services

Mark Sanford
Governor

November 2, 2007

Emma Forkner
Director

Mr. Howard W. Clarke
Administrator
Honorage Nursing Center
1207 North Cashua Drive
Florence, South Carolina 29501

Dear Mr. Clarke:

Thank you for the letter expressing your concerns about the South Carolina Department of Health and Human Service's non-emergency transportation system. We always value feedback about our programs from the Medicaid provider community. I have been briefed on your concerns and our agency's response to them. To date, the agency has done the following to address your grievances:

- DHHS staff arranged a conference call on 10/15/07 with several of our executive staff members, staff from Honorage Nursing Center and an ambulance provider.
- DHHS staff followed-up with a second call to your facility on 10/19/07 to arrange for an on-site meeting with Honorage staff and an official from LogistiCare.
- DHHS Director spoke by phone with your staff on 10/22/07 to hear the issues in full and dialogue about resolution.
- A DHHS executive staff member, accompanied by a LogistiCare official, visited your facility on 10/23/07 to further discuss issues related to non-emergency transportation. Issues related to transportation to and from dental appointments were discussed at length at this meeting. As you are now aware, non-emergency transportation for preventive and restorative dental services for beneficiaries over 21 is not allowable under the South Carolina State Medicaid Plan. However, your facility may be reimbursed through Medicaid for on-site dental consultations.
- Subsequent to the 10/23/07 meeting, our staff instructed LogistiCare to abide by DHHS policy regarding authorized signatures on medical necessity forms, which does not necessarily require a signature from a physician. The following are

#230

Mr. Howard W. Clarke
November 2, 2007
Page 2

authorized to sign the form: attending physician, physician assistant, nurse practitioner, clinical nurse specialist or registered nurse.

- I also understand LogistiCare staff is working with your facility on a continuing basis to ensure non-emergency transportation needs of your clients are being met.

I hope you will agree that DHHS has demonstrated a commitment to do what we can within the bounds of reasonableness to remedy any difficulties your facility may have experienced. Thank you again for your letter and for your continued care of our state's senior citizens.

Sincerely,

A handwritten signature in dark ink, appearing to read "Emma Forkner", written in a cursive style.

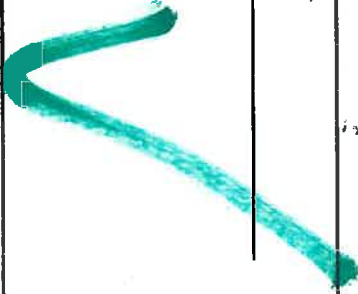
Emma Forkner
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EF:jip

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Administrator

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CC: Mr. Rickie Shearer, Chairman SCHCA
Fred Seale, CPA
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236



State of South Carolina
Department of Health and Human Services

Mark Sanford
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November 2, 2007

Emma Forkner
Director

Mr. Howard W. Clarke
Administrator
Honorage Nursing Center
1207 North Cashua Drive
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Emma Forkner
Director

EF:jip