

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

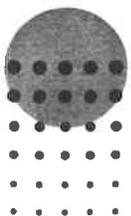
**ACTION REFERRAL**

<b>TO</b> <i>Bousling</i>	<b>DATE</b> <i>12/18/04</i>
------------------------------	--------------------------------

<b>DIRECTOR'S USE ONLY</b>	<b>ACTION REQUESTED</b>
1. LOG NUMBER <i>600411</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <i>12-27-06</i>
2. DATE SIGNED BY DIRECTOR <i>Clemed 1/16/07 <del>atlin</del></i> <i>attached.</i>	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____
	<input type="checkbox"/> FOIA DATE DUE _____
	<input type="checkbox"/> Necessary Action

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

**Carolina Allergy,  
Sinus &  
Asthma**



**RECEIVED**

DEC 18 2006

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

*Steven J. Gottlieb, D.O. • Board Certified/Recertified  
American Board of Allergy and Immunology*

December 13, 2006

*Log: Swann  
RK's mgr*

Robert M. Kerry, Director  
SC Dept of Health and Human Services  
P.O. Box 8206  
Columbia, SC 29202-8206

Dear Mr. Kerry:

I am writing you in response to a Medicaid bulletin to pediatric sub-specialists, dated 11/30/06. If the increased reimbursement rates to 120% of the 2006 Medicare fee schedule is intended to increase participation of pediatric sub-specialists in the State Medicaid program then I hope your department's efforts will be successful.

I write you as an allergist who has been a participant in the State Medicaid program since my arrival to Greenwood in 1994. I have endeavored to keep this at-risk population out of the hospital and out of the emergency room for their bronchial asthma as well as manage their allergic problems. I have chosen to do so despite what I think you would recognize as reimbursement much less than usual.

I write you today, Mr. Kerry, because of my disappointment that, as the only allergist in Greenwood County, I see a large number of Medicaid patients in my practice though not nearly approaching the 85% requirement to achieve the increased reimbursement rates.

I would say it is even offending that Medicaid would pay a pediatric pulmonologist who does allergy, that I know doesn't accept any Medicaid patients, more than I would get paid having participated in Medicaid for over a decade but would not qualify because I don't have 85% pediatric patients.

I am sure you know of the increased pressures that many medical practices are facing with regards to increasing overhead costs which has been causing me to consider my future participation in Medicaid. Since I started my practice in 1994, my percentage of Medicaid patients has tripled from 5% to almost 17% which obviously takes up the time slots of higher reimbursing private and public insurances.

Page Two

I thereby am requesting your consideration to offer me the same reimbursement rates on children 18 years and younger that you would pay the other pediatric sub-specialists. I know that I keep the large majority of my Medicaid patients out of emergency rooms and out of hospitals with their asthma. I would hope that you will seriously consider my request for the reimbursement rates as described in the November 30, 2006 bulletin which would go along way in assuaging the pressures that my burgeoning Medicaid patient population has put on my practice causing me to begin to analyze the pros and cons of my future participation in South Carolina's Medicaid program.

I look forward to hearing from you and if you would like, please feel free to call me at any time.

incerely,

  
Steven J. Gottlieb, D.O.

SJG/ews



State of South Carolina  
Department of Health and Human Services

#411

Mark Sanford  
Governor

Robert M. Kerr  
Director

January 16, 2007

mailed only  
on 1/31/07

Steven J. Gottlieb, D.O.  
Carolina Allergy, Sinus & Asthma  
1306 Highway 72 West  
Greenwood, South Carolina 29649

Dear Dr. Gottlieb:

Thank you for your letter concerning the pediatric sub-specialist program and the requirements for participation.

The Department of Health and Human Services is committed to providing access to quality health care services for Medicaid beneficiaries. We have been successful over the past several years in working with the Governor and the General Assembly in securing state appropriations to update the fee schedule for physicians. In 2004, we were paying claims at 74% of the Medicare physician fee schedule, which increased to 80% of Medicare in July 2005, then 85% in 2006.

The pediatric sub-specialist program was initially established pursuant to a legislative proviso. The requirements for participation were developed in conjunction with the South Carolina Children's Hospital Collaborative. The criteria for participation include the following:

- Board certified or board eligible to practice in one of the recognized pediatric sub-specialties
- At least 85% of total practice is dedicated to serving children 18 years of age or younger

Enhanced reimbursement is not allowable for physicians that do not meet the requirements outlined above. Unfortunately, based on the information provided in your letter, it does not appear that you meet these guidelines.

We regret that we could not be of more assistance. Thank you again for taking the time to write and for your participation in the South Carolina Medicaid program. If you have additional questions, please do not hesitate to contact Ms. Valeria Williams, Division Director in Physician Services, at (803) 898-2660.

Sincerely,

Robert M. Kerr  
Director

RMK/bgwd