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Putting New Ideas to Work in South Carolina

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June 16, 2014

The Honorable Nikki R. Haley, Governor
The State House
Columbia, South Carolina

Dear Governor Haley:

I am writing to ask that you reconsider Veto 23, which would eliminate funds to finish our statewide initiative to streamline school-based enrollment and retention of children in Medicaid. Your veto message misrepresents the work we've done under the oversight of SCDHHS to the point that even I would have agreed with your actions.

- **Your veto message says we failed to create a web-based “toolkit” of best practices for use by the state’s schools.** This is not true. The toolkit was created over a year ago and submitted to SCDHHS last June for its input and approval. It has been online but unpublished since May of last year. *The only thing that has been holding us up is final approval from the agency.*

You can review the toolkit at <http://childrenshealthsc.palmettoproject.org/?p=13> and the webpage to which it will be attached at <http://childrenshealthsc.palmettoproject.org/>. Once we have final approval, we can alert every school in the state within an hour.

- **Your message implies that our pilot project in school districts in five counties does not exist.** That is incorrect. The pilot project in Orangeburg, Williamsburg, Spartanburg, Georgetown and Sumter counties is on schedule, and ready to move forward in August when children start school. All of this has been covered in monthly meetings and written reports to our SCDHHS oversight team. Obviously, this work has been challenging since the purpose of the pilot project is to test the effectiveness of the toolkit in enrolling and retaining children in Medicaid.

According to our current SCDHHS contract, our role is to conduct research on TANF and SNAP student populations in participating school districts, establish program infrastructure, prepare materials, and train key personnel for a rollout in August 2014. All of that is in place, except for the toolkit. You are invited to read our report to SCDHHS on this field work at the end of last year (Attachment A). We are currently working on a similar report for the first six months of this year which we will have ready shortly.

• **Your veto message further suggests our reports to SCDHHS are incomplete and do not demonstrate meaningful “impact”.** There is no way I can respond to this since I’m unaware of any incomplete reports and can only partially evaluate the impact of a web-based pilot project that has not been allowed to have a web presence.

With the agreement of our oversight team, we did have to revise some deadlines in the contract because (1) the agency did not get us a contract until mid-October after some of them had passed, (2) we did not and still don’t have final DHHS approval on the toolkit, and (3) one of the deliverables was contingent on easy access to the Federal Health Insurance Marketplace website beginning in October of last year. We have provided all the deliverables, except an evaluation of the effectiveness of the web-based toolkit which we are very anxious to do.

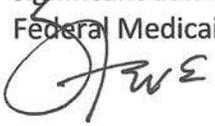
I regret that you chose to issue such a harsh veto message without first contacting me. The Palmetto Project has a long history of service to the state that should merit that consideration. I realize you do not like public-private partnerships, but from a pragmatic standpoint, I would have encouraged you consider how much good work and potential will be lost with this veto.

I am sure you can understand my frustration. You did not veto last year’s funding and allowed SCDHHS to contract with us again in FY 2014 without any objections. During this year’s budget process, no one from your Administration indicated any concerns about this appropriation or challenged any prior work as incomplete or ineffective.

Finally, Governor, your veto message concludes with, “We don’t need another year of this.” Respectfully, I suggest to you the opposite is true. This program is an investment in enlightened, cost-effective government in ways that are fully consistent with the goals of your Administration. Tony Keck made this very point in the attached letter to the USDHHS last year endorsing the need for this program and our partnership with his agency (Attachment C).

Streamlining Medicaid enrollment and retention for children is proven to generate savings for state Medicaid programs. Not only are children healthier, continuous enrollment actually reduces administrative costs associated with the program. Because this appropriation can be matched by Federal Medicaid dollars, it seems particularly illogical to veto these funds and negate the investment we’ve already made without making more of an effort to understand what is at stake.

In your 2012 State of the State address, you rightly highlighted the progress your administration was making in this area. At that time, the Palmetto Project was your Administration’s single, most visible statewide partner in that effort. The progress you alluded to subsequently generated significant administrative savings to the State, and over \$23 million in bonus awards from the Federal Medicaid program. That’s the kind of programming of which we need more, not less.


STEPHEN SKARDON JR.
Executive Director

Thank for considering this