

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

**ACTION REFERRAL**

TO <i>Giese</i>	DATE <i>8-8-11</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>101073</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Mr. Speck Claud 8/23/11, letter attached.</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>8-22-11</i>
	<input type="checkbox"/> FOIA DATE DUE _____ 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.			

August 5, 2011

Mr. Anthony Keck, Director  
SC Department Of Health & Human Services  
1801 Main Street  
Columbia, SC 29202

**RECEIVED**

AUG 09 2011

Department of Health & Human Services  
**OFFICE OF THE DIRECTOR**

Dear Director Keck:

Thanks for meeting with us this week. We very much appreciate your thoughtful approach to some of the opportunities we presented. Outlined below are the issues we discussed and some of the follow up we promised.

**New Programs:**

- As an HMO, we very much would like to cover dual eligibles and can discuss premiums and options to coordinate care with Medicare at your leisure.
- We also would like to discuss further options to cover foster kids. Under separate cover we will prepare primer on national programs /alternatives
- We will coordinate site visits and share current information with The Lucas Group on Long Term Care . This will include an update on individuals covered by SNP plans in SC.

**Cost Saving Opportunities:**

- We can pilot "never events" in our go forward hospital (as amendments) contracts. Please back us up as we communicate/manage process.
- We will quickly look to make our bundling procedure coincide with state language (30 days).
- We will continue to develop coordinated response to "social care" issues.
- We will continue to provide input on 17P process. Please consider our additions.
- Please include us on any and all hospital originated operational improvement efforts. We will always actively participate.
- We would like to continue dialogue on the value of moving to a 90% payment to non participating providers. We will attempt to proactively address your questions/issues.

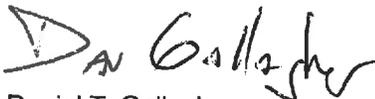
**Follow-up:**

- We will communicate your feedback on the Wakely letter.
- We will continue to help find equitable solutions to behavioral health issues in SC

We did re-check the P&P Guide regarding Outpatient hospital based " ancillary medical services " and it does require payment to anesthesiology, pathology and radiology be paid by us without prior authorization. We believe the chart presented to be accurate.  
Language attached.

Thanks for your input and support. We would like to make ourselves available to you and your staff as you explore these important issues.

Sincerely,

  
Daniel T. Gallagher

*Si desea recibir una copia de esta información en español, llame al 1-800-414-9025 (TTY: 711).*

SCDHHS is met. Among other services, inpatient hospital services encompass a full range of necessary diagnostic, therapeutic care including surgical, medical, general nursing, radiological and rehabilitative services in emergency or non-emergency conditions. Additional inpatient hospital services would include room and board, miscellaneous hospital services, medical supplies, and equipment. For information regarding payment responsibility when membership crosses two MCOs or MCO/FFS during a hospital stay, please see the section titled "**Payment Responsibility for Hospital Stays When Enrollment/Disenrollment Occurs**" located in the Beneficiary Enrollment section of this Guide.

***Current Medicaid Service Limitations:*** Coverage of inpatient hospital services is limited to general acute care hospital services to include psychiatric services (DRGs 424-433, 521-523). Inpatient rehabilitative services provided in a separate medical rehabilitation facility or a separately licensed specialty hospital are not reimbursable. Rehabilitation services which are rendered to Medicaid Beneficiary on an inpatient or outpatient basis at a general acute care hospital are reimbursable.

## **7.2 Ancillary Medical Services**

Ancillary medical services, including, but not limited to pathology, radiology, emergency medicine and anesthesiology are part of in the managed care rate and covered under hospital inpatient and outpatient services. When the Medicaid MCO Member is provided these services the MCO shall reimburse the professional component of these services at the Medicaid fee-for-service rate, unless another reimbursement rate has been previously negotiated. Prior Authorization for these services shall not be required of either network or non-participating providers. All anesthesia services, even those associated with behavioral health and dental procedures, are the responsibility of the MCO.

## **7.3 Transplant and Transplant-Related Services**

### **Group I – Kidney and Corneal**

**Kidney:** The MCO is responsible for all services prior to 72 hours pre-admission, post transplant services upon discharge, and post transplant pharmacy services.

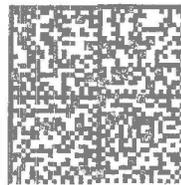
All potential kidney transplants, cadaver or living donor, must be authorized by The Division of Physician Services before the services are performed. The Division of Physician Services will review all Medicaid referrals for organ transplants and issue an approval or a denial.



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Community Plan

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Department of Health & Human Services  
OFFICE OF THE DIRECTOR

Mr. Anthony Keck, Director  
SC Department Of Health & Human Services  
1801 Main Street  
Columbia, SC 29202

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

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APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1. <i>Jim Bradford</i>	<i>JAS 8/19/11</i>		
2. <i>Jenni for Campbell</i>	<i>JRC sk 8/11</i>		
3. <i>BG Giese</i>	<i>B/G 8/22</i>	<i>8/22</i>	
4.			



August 25, 2011

Mr. Dan Gallagher, President  
UnitedHealthcare Community Plan  
100 Executive Center Drive, Suite A-13  
Columbia, South Carolina 29210

Dear Mr. Gallagher:

Thank you for your follow-up letter to Director Keck. We appreciate the productive dialog, suggestions and your cooperation in working with The Lucas Group as they explore options in dealing with our Long Term Care population. We continue to be interested in reviewing data that was used in the creation of your slide regarding outpatient radiology costs, and appreciate your bringing these concerns to our attention.

As you know, we are constantly evaluating our policy and procedures as they relate to current and future structure of our programs. We will update them as we identify the need to make changes and clarifications.

Again, thank you for your input and suggestions. We look forward to our continued discussions as we work towards accomplishing our primary goal: to purchase the most health for the least amount of money.

Sincerely,

Melanie "Bz" Giese, RN  
Deputy Director

MG/bcc