

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

TO	DATE
Giese	3-4-13

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER 000267	<input type="checkbox"/> I Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR cc: Mr. Keck, COS, Hess	<input type="checkbox"/> I Prepare reply for appropriate signature DATE DUE _____
	<input type="checkbox"/> I FOIA DATE DUE _____
	<input checked="" 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.			

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FEB 28 2013

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

# Soluble Systems®

February 18, 2013

South Carolina Department of Health and Human Services  
Attn: Mr. Anthony Keck, Medicaid Director  
1801 Main Street  
PO Box 8206  
Columbia, SC 29201

Dear Mr. Keck,

Please find enclosed the announcement of a decision by Blue Cross and Blue Shield of Michigan to provide coverage, effective February 15, 2013 for TheraSkin, a real human skin wound therapy. Coverage is provided specifically for Diabetic Foot Ulcers and Venous Leg Ulcers. Blue Cross and Blue Shield of Michigan is a non-profit organization with 5.5 million members served by a network of about 30,000 doctors.

You can reference the relevant BCBS Michigan policy at:  
<http://www.bcbsm.com/mpiApp/MedicalPolicyDocument?fileId=2049941>

With Medicare coverage in 93% of the US, Medicaid coverage in 17 states and growing coverage by private insurers we look forward to a positive coverage decision by South Carolina Medicaid. Please contact me with any questions you may have on TheraSkin, a live cell therapy that provides excellent outcomes for your policy holders while substantially reducing your costs of providing care.

Best Regards,

*T Kerry McCarter / am*

T. Kerry McCarter  
Chief Executive Officer  
Office: (877)222-2681  
Mobile: (757)876-5903  
tkmccarter@solublesystems.com

 **TheraGauze\***  
*Moisture Regulating Wound Care*

 **TheraSkin.**  
*Real Skin Wound Therapy*

11830 Canon Boulevard ♦ Suite A ♦ Newport News, Virginia 23606  
Phone: 877-222-2681 ♦ Fax: 757-877-8870 ♦ [www.solublesystems.com](http://www.solublesystems.com)

# NEWS RELEASE

**TheraSkin**  
Real Skin Wound Therapy



For more information, contact:

Tracy Tierney, (804) 317-5889

Ed Crews, (804) 754-1225

Kerry McCarter, (757) 877-8899

## Blue Cross Blue Shield of Michigan to Cover TheraSkin®

### Decision Benefits Patients with Chronic Wounds

*NEWPORT NEWS, Virginia (February 22, 2013)* – Beginning this month, Blue Cross Blue Shield of Michigan, a nonprofit network of 158 hospitals and approximately 30,000 doctors, will provide coverage for the use of TheraSkin®, a real skin therapy that effectively treats chronic wounds. This decision dovetails with the mission of this insurer to ensure a higher quality of health care for its 5.5 million subscribers, about 40% of the state, while simultaneously reducing the cost of care.

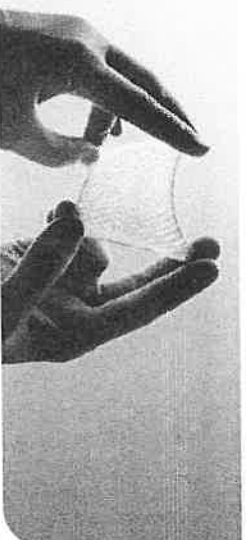
“We applaud the decision by Blue Cross Blue Shield of Michigan to cover this limb and life-saving product,” said Kerry McCarter, CEO of Soluble Systems, LLC, the parent company of TheraSkin, explaining that Michigan residents with diabetic and venous leg ulcers will now have access to cost-effective living cell therapy. Patients who have particularly benefited from the wound healing capabilities of TheraSkin are those with diabetes.

“Diabetics are likely to develop foot ulcers, which are often extremely difficult to heal,” explained McCarter. “When all else fails, these patients are involved in nearly two-thirds of all non-traumatic lower limb amputations each year.” TheraSkin clinical results demonstrate the potential to save many patients from these life-threatening lower limb amputations by effectively closing over 60% of previously “non-healing” diabetic and venous ulcers in 12 weeks.

“We will work tirelessly with the medical institutions and practitioners in the BCBS network to help implement the clinical and economic benefits of TheraSkin,” said Allan

# NEWS RELEASE

**THERASkin**  
Real Skin Wound Therapy



Staley, president of Soluble Systems. The Company recently hired three Michigan-based representatives to work to support TheraSkin.

TheraSkin is not only clinically effective, but economical, costing 50 – 70% less than competing biologically active products, saving patients and payers thousands of dollars per treatment. A potent new weapon in the battle against rising healthcare costs, TheraSkin has the potential to save patients and the U.S. healthcare system more than \$1 billion over the next decade.

TheraSkin is a biologically active cryo-preserved human skin allograft for non-responsive chronic wounds. Its fully developed extracellular matrix (ECM) and living cells provide an “at-ready” supply of human growth factors, cytokines and collagen to jumpstart wound healing. Like competing biologically active skin substitutes, TheraSkin provides necessary growth factors and cytokines to treat chronic wounds; however, it also provides a large quantity of essential human collagens in appropriate ratios to support healing.

For more information on TheraSkin and Soluble Systems, LLC, visit [www.solublesystems.com](http://www.solublesystems.com).

**Soluble Systems**

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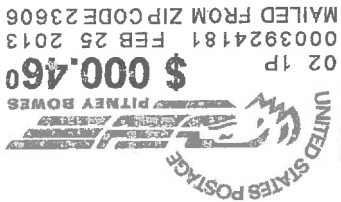
Soluble Systems, LLC  
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Newport News, VA 23606

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