

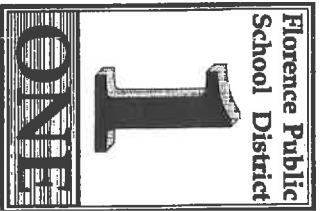
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

| | |
|---------|---------|
| TO | DATE |
| Bowling | 6-21-07 |

| | | | |
|----------------------------|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| DIRECTOR'S USE ONLY | | ACTION REQUESTED | |
| 1. LOG NUMBER | 000791 | <input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <u>6-28-07</u> | |
| 2. DATE SIGNED BY DIRECTOR | Cleared 6/22/07, letter attached. ✓ | <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. | | | |



Florence Public School District One

319 South Dargan Street • Florence, South Carolina 29506-2589

Telephone: 843•669•4141 • FAX: 843•673•1108

www.fsd1.org

Larry L. Jackson, Superintendent

June 14, 2007

RECEIVED

JUN 21 2007

Mr. Robert M. Kerr, Director
Department of Health and Human Services
P.O. Box 8206
Columbia, SC 29202

Log. Bowling
dir. Kerr

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Dear Mr. Kerr:

Florence School District One is committed to serving the special needs of all its students. Currently, we have programs for students with learning disabilities beginning in preschool. Categories of conditions serviced include: visually and hearing impaired as well as orthopedically, emotionally, learning and mentally disabled. Mentally disabled categories served by our system range from mild, to moderate, to severe. Teachers, speech therapists, and physical and occupational therapists with outstanding credentials interact with these students to ensure success at every level.

The condition of autism is rapidly becoming a major concern in schools across the country. Locally, Florence School District One serves approximately 80 students with autism. We take pride in the services that we provide for our students. Among our team of educators who serve our students is Myra Horton, a former National Autistic Teacher of the Year.

As you may well know, autism is a complex neurobiological disorder that typically lasts throughout a person's lifetime. It is part of a group of disorders known as Autism Spectrum Disorders (ASD). Today, one in 150 individuals is diagnosed with autism, making it more common than pediatric cancer, diabetes, and AIDS combined. It occurs in all racial, ethnic, and social groups and is four times more likely to strike boys than girls. Autism impairs a person's ability to communicate and relate to others. It is also associated with rigid routines and repetitive behaviors, such as obsessively arranging objects or following very specific routines. Symptoms can range from very mild to quite severe. Florence School District One utilizes behavioral therapy and other therapeutic options to treat students with autism. These facts alone provide you with an idea of the responsibilities related to autism that will continue to be placed on the local school districts.

Behavior management therapy helps to reinforce wanted behaviors, and reduce unwanted behaviors. It is often based on Applied Behavior Analysis (ABA). Speech-language therapists also help students with autism improve their ability to communicate and interact with others. Occupational therapists can help autistic students find ways to adjust tasks to match their needs and abilities. Physical therapists design activities and exercises to build motor control and improve posture and balance.

continued

Mr. Robert M. Kerr, Director

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Public schools are required to provide free, appropriate public education from age three through high school or age 21, whichever comes first. Typically, a team of people, including the parents, teachers, caregivers, school psychologists, and other child development specialists, work together to design an Individualized Education Plan (IEP) to help guide the child's school experiences.

These treatments have caused tremendous expenses totaling approximately a half million dollars to Florence School District One. On behalf of the Board of Trustees, the special needs staff, and the autistic students we serve, we wish to go on record expressing our disapproval of the discontinuance of Medicaid reimbursement for applied behavior therapy services. Now that the Department of Health and Human Services is discontinuing reimbursement, Florence School District One is having to use its state money to provide the services for what is essentially now an unfunded mandate.

Needless to say, this unfunded mandate has placed a tremendous burden on the school district's financial status and its ability to balance the budget. Mr. Kerr, we are asking that you seek to assist our school district, as well as other school districts, by providing relief from having to supply the funding for the discontinuance of the Medicaid reimbursement needed to help educate the autistic students that we serve. All children deserve the very best that we can provide.

Your written response to this matter would be greatly appreciated. With warm personal regards I remain,

Sincerely,



Larry L. Jackson, Superintendent

LLJ:plmcd

cc: Board of Trustees:

S. Porter Stewart, Chairman; M. Glenn Odom, Vice-Chairman; Suzette Reynolds, Secretary; Thurmond L. Becote, Sr.; James Canup; Willard Dorriety, Jr.; Pat Gibson-Hye; Malloy McEachin; Alexis D. Pipkins, Sr.



State of South Carolina

Department of Health and Human Services

Mark Sanford
Governor

Susan B. Bowling
Acting Director

June 22, 2007

Mr. Larry L. Jackson, Superintendent
Florence Public School District One
319 South Dargan Street
Florence, South Carolina 29506-2589

Dear Mr. Jackson:

Thank you for your letter dated June 14, 2007, regarding Medicaid reimbursement for services to children with autism.

As you are aware, the South Carolina Medicaid program previously reimbursed Local Education Agencies for Applied Behavioral Therapy Services for children diagnosed with autism. The federal Centers for Medicare and Medicaid Services (CMS) conducted a review of the Early and Periodic Screening, Diagnosis and Treatment program and indicated that the Applied Behavioral Therapy Services program did not qualify as a Medicaid coverable state plan service. This interpretation was based on the following:

- The service is habilitative in nature rather than a rehabilitative service.
- The service is limited to children with autism.
- The service is limited to the school setting.

Initially, we were advised by CMS that the services may be allowable under a Medicaid waiver. However, we were advised by CMS on September 19, 2006, that the provision of Applied Behavioral Therapy Services in a school setting failed to meet established criteria for approval as a waiver program. Specifically, CMS indicated that the services appeared to duplicate services that should be provided under Individuals with Disabilities Education Act (IDEA) and would restrict providers to those who contract with or are employed by the Local Education Agency. In an effort to afford the State Department of Education and the Local Education Agencies time to develop contingency plans to address the loss of federal funding, the South Carolina Department of Health and Human Services (SCDHHS) negotiated with CMS for a transition period to discontinue coverage for these services. CMS approved a transition period to terminate federal Medicaid funding for Applied Behavioral Therapy Services effective June 30, 2007. The intent of the transition period was to allow the State Department of Education and the school districts to address the funding issue through the state budget process. The State Department of Education and the local education agencies were sent a letter dated September 25, 2006, regarding the discontinuation of Medicaid reimbursement for ABTS services.

Mr. Larry L. Jackson, Superintendent
June 22, 2007
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We appreciate your commitment to providing children with special needs with access to quality services. Unfortunately, federal regulations preclude the use of Medicaid funding to reimburse school districts for Applied Behavioral Health Services.

I regret that we cannot be of more assistance in this matter. Thank you for your commitment to improving the health of children in South Carolina. Please do not hesitate to contact me if you have any questions or if we can be of further assistance.

Sincerely,


Susan B. Bowling
Acting Director

SBB

cc: Virgie Chambers
State Department of Education