

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

TO	DATE
<i>Bearling</i>	<i>8-25-06</i>

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER  <i>000173</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <i>10-13-06</i>
2. DATE SIGNED BY DIRECTOR  <i>Change due date to 10/13/06, for Henry, just received on 10/4/06</i>	<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. <i>Claud 11/6/06, letter attached.</i>			
2.			
3.			
4.			

August 11<sup>th</sup>, 2006

Robert M. Kerr, Director  
SC DHHS  
PO Box 8206  
Columbia, South Carolina

*Doc. Bending*  
*"Robby's Sign"*

*cc: Shannon*  
**RECEIVED**

AUG 14 2006  
Department of Health & Human Services  
OFFICE OF THE DIRECTOR

Dear Mr. Kerr,

On behalf of the Medical Management Staff at Palmetto Health, we appreciate the opportunity to comment on the challenges of post hospital service coordination for our medically complex Medicaid patients.

Access to quality medical care in the most cost effective setting is essential to timely patient through-put. There are many challenges in the State of South Carolina when it comes to accessing healthcare for Medicaid Patients at the most appropriate level of care and within the time frame deem appropriate. The Medicaid Delivery system needs to be re-examined in an effort to structure a system that would more accurately reflect a cost effective level of care for the medically complex patients, to include those needing rehabilitation services. Medicaid patients remain in hospitals with long lengths of stay and at a non-acute level of care and rehabilitation levels of care due to our inability to access placements in Nursing Home, Rehabilitation Hospitals or Home with adequate services. Those patients include:

- Ventilator dependent patients, adults and children (One facility in the State of South Carolina and there is a waiting list).
- Facilities that provide Tracheotomy Care (poss. two in the State of South Carolina)
- Rehabilitation needs will not be addressed for Medicaid only patients in skilled nursing facilities. Medicaid does not cover the cost of rehabilitation even if the potential could lead to gainful employment after recovery.
- Patients awaiting Medicaid approval (pending status)

As the result of our limitations:

- Patients remain in hospitals at an inappropriate level of care for short and long periods of time.
- Patients with acute care needs are being held in the emergency room and/or being diverted to other facilities (away from support) due to capacity issues.
- Patients and families are asked to consider placement outside of the 50 mile radius (away from their support system) to include transfers to other states. The Medicaid program in other States offer more comprehensive services and offer a better payment system to agencies providing services to patients with Medicaid as their primary source of funding.

- Our goal is to continue to offer quality services in the most cost effective environment. Patient satisfaction is an integral part of our mission statement. Quality and cost effectiveness for those patients being discharged and those being admitted.
- Having space available in a hospital setting for patients with acute care needs is crucial to adequately managing a those healthcare needs. The statistics in South Carolina for certain diagnosis are already alarming.

Thank you for considering any monetary enhancements and service inclusions that would better meet the needs of the Medicaid Patients in the State of South Carolina.

Respectfully Submitted,

A handwritten signature in cursive script, reading "Cynthia J. Holmes".

Cynthia J. Holmes, Manager, Medical Social Work  
Department of Medical Management  
Palmetto Health Richland



FIVE RICHLAND MEDICAL PARK DRIVE  
COLUMBIA, SC ♦ 29203

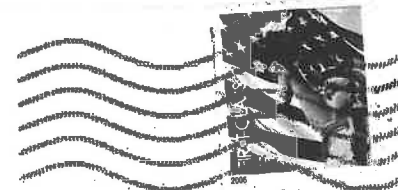
**RECEIVED**

AUG 14 2006

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

COLUMBIA SC 292

11 AUG 2006 PM 2 T



Mr. Robert M. Kerr, Director  
SC DHHS  
P.O. Box 8206  
Columbia, S.C. 29202-8206

29202+8206



**From:** Nancy Rabert  
**To:** Margaret Boggress  
**Date:** 10/5/2006 9:04 am  
**Subject:** Re: New Log Letter #173

**CC:** Brenda James; Margarete Keller; Zenovia Vaughn  
Margaret - I just spoke with Brenda on 11th floor. She says she has changed the due date to 10/13/06.

Thanks  
Nancy

>>> Margaret Boggress 10/4/2006 2:34 PM >>>  
The reply due date is written as 9/1/05. What is the due date since it was lost? Thanks.

Margaret K. Boggress  
Administrative Specialist II  
Division of Hospitals  
Department of Health & Human Services  
(803) 898-2665  
(803) 255-8352 Fax  
[boggress@scdhhs.gov](mailto:boggress@scdhhs.gov)



*State of South Carolina*  
*Department of Health and Human Services*

Mark Sanford  
Governor

Robert M. Kerr  
Director

November 6, 2006

Ms. Cynthia J. Holmes  
Medical Social Worker  
Department of Medical Management  
Palmetto Health Richland  
Five Richland Medical Park Drive  
Columbia, South Carolina 29203

Dear Ms. Holmes:

Thank you for your letter outlining various issues involved with finding nursing facility placement for hospitalized patients with complex medical needs. We share your concerns with the barriers that hospital discharge planners encounter when trying to find such placements, especially when Medicaid is the only funding source available.

Staff in our Bureau of Long Term Care has been involved in some of the difficult cases that your hospital and others have had in recent months. We have been successful with involving the nursing home associations to assist with these cases and to canvass their member facilities that may be willing to admit patients with some of the more challenging diagnoses. Additionally, we are currently exploring the feasibility of a pilot project for patients with complex medical conditions in need of nursing facility placement. This pilot would establish a financial incentive designed to improve access to nursing facility care for these patients with medically complex conditions.

I would like to point out that our Medicaid nursing facility rates are generally higher than other states, and providers usually received legislatively mandated rate increases. The rates are individually set for each facility based on their annual cost reports. In addition, the sub-acute rate is scheduled to increase upon approval by the Centers for Medicare and Medicaid Services.

The issue of Medicaid reimbursement for rehabilitation services was also referenced in your letter. We understand the value of rehabilitation; however, budgetary constraints

Log # 173  
✓

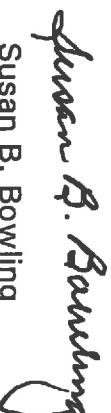
Ms. Cynthia J. Holmes  
November 6, 2006  
Page Two

necessitate that certain coverage limitations, such as rehabilitation, be imposed in order for the Medicaid program to operate within the budget appropriated by the General Assembly.

In regard to the eligibility, we continue efforts to streamline the eligibility process. As you are aware, eligibility for long term care applicants in the most complex of all the eligibility categories. Having out-stationed eligibility workers on site at the hospitals is one measure implemented to facilitate this process.

Again, thank you for your letter and support of the Medicaid program and the beneficiaries it serves. If you have any questions or if we can be of further assistance, please contact Sam Waldrep at (803) 898-2590.

Sincerely,

A handwritten signature in dark ink, appearing to read "Susan B. Bowling". The signature is fluid and cursive, with a large, stylized initial 'S'.

Susan B. Bowling  
Deputy Director

SBB/whk