

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

| | |
|--------------------|-------------------------|
| TO <i>Myers</i> | DATE <i>11-27-07</i> |
|--------------------|-------------------------|

| | | | |
|--|---|------------------|--|
| DIRECTOR'S USE ONLY | | ACTION REQUESTED | |
| 1. LOG NUMBER <i>000262</i> | <input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____ <input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>12-6-07</i> <input type="checkbox"/> FOIA DATE DUE _____ <input type="checkbox"/> Necessary Action | | |
| 2. DATE SIGNED BY DIRECTOR <i>CC: Post</i> <i>Note: Sam W. is working on</i> | | | |

| APPROVALS (Only when prepared for director's signature) | APPROVE | * DISAPPROVE (Note reason for disapproval and return to preparer.) | COMMENT |
|--|---------|---|---------|
| 1. <i>Cleared 11/9/08, letter attached.</i> | | | |
| 2. | | | |
| 3. | | | |
| 4. | | | |

Wachovia Insurance Services, Inc.
SC3249
1426 Main Street, 17th Floor
Columbia, SC 29201

Tel 803 765-3520
Fax 803 765-3530
Toll Free 888 933-9222

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NOV 08 2007

WACHOVIA INSURANCE SERVICES

Referred to Durham
Answered _____

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NOV 27 2007

Department of Health & Human Services
OFFICE OF THE DIRECTOR

November 6, 2007

Governor Mark Sanford
State of South Carolina
Post Office Box 12267
Columbia, SC 29211

*Log. Myers
E. Bryan
app mgr
(Sam is working on)*

Dear Governor Sanford:

South Carolina is responsible for a large portion of the Medicaid funding in this state. The drain on our Medicaid funds becomes greater everyday and South Carolinians are stretched to provide further tax support.

Long Term Care healthcare is a national dilemma that is a train wreck ready to hit Medicaid and the states very hard. I have attached a presentation that I use for our clients and prospects that speaks to the issues and some resolutions.

Partnership for Long Term Care is a program designed to relieve pressure from state Medicaid programs and provide incentives to citizens to purchase LTC policies and reduce some of the spend down of assets in purchasing Tax Qualified plans. One of the best things a state can do today is to move to file for Partnership status for the state LTC plan offerings. From the information I have, South Carolina has not made application for LTC Partnership. CA, CT, IN, NY already has Partnership programs. CO, FL, GA, HI, IA, ID, MD, ME, MN, MT, ND, NE, NV, OH, OR, RI, SD, VA are beginning programs and have filed.

Most of the states want to provide some reciprocity and as we get more and more folks from the NE moving to SC to retire, it is even more important for us to have a program in place. This can be a huge strain on our SC Medicaid budget if we do not take action.

While we are late in the year to approve any legislation, I hope that our progress in this area is far down the road at this point and if not, we really need to get focused on this. It can prove to be a real budget saver for South Carolina and I will pledge to provide any

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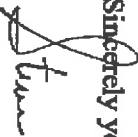
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11/26/2007

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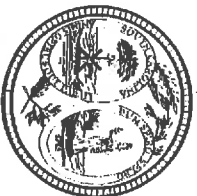
support that I can in getting this accomplished. Many of us are going through National Partnership Training now so that we may train a whole workforce of professionals that will be needed to deliver the Tax Qualified LTCL policies to South Carolina citizens. Thank you for your focus and hard work for South Carolinians.

Sincerely yours,



Steven L. Farish, HIA, GBA, LTCP
Vice President, National Worksite Practice Leader
Wachovia Insurance Services, Inc.
1426 Main Street, SC3249
Columbia, South Carolina 29201
803-765-3521
803-479-8397
Steve.Farish@wachovia.com

Attachment



State of South Carolina
Department of Health and Human Services

Mark Sanford
Governor

Emma Forkner
Director

January 9, 2008

Steve Farish, HIA, GBA, LTCP
Vice President, National Worksite Practice Leader
Wachovia Insurance Services, Inc.
1426 Main Street, SC33249
Columbia, South Carolina 29201

Dear Mr. Farish:

Governor Sanford has asked me to respond to your letter of November 6, 2007 expressing support for the Qualified Long Term Care Insurance Partnership Program. The Department of Health and Human Services (DHHS), the State Medicaid agency, and our partner, the State Department of Insurance (DOI), will be actively working together this year to establish this program in South Carolina. There are several things DHHS is addressing along with the DOI before the Medicaid State Plan amendment is filed for federal approval and the partnership becomes effective. One of these includes the DOI regulatory changes that are currently in the legislative process.

There are many positive aspects to promoting the availability of long term care insurance in our State. It will encourage our citizens to increase their planning for future long-term care needs. It also increases the likelihood of persons being able to remain in their own homes with better use of their resources and reduced pressure on public resources. I appreciate your interest in establishing this partnership program in South Carolina.

Sincerely,

A handwritten signature in cursive script, appearing to read "Emma Forkner".

Emma Forkner
Director

EF/mwk

#262
✓