

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

ACTION REFERRAL

TO <i>Myers</i>	DATE <i>7-25-08</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>002054</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <i>8-1-08</i>
2. DATE SIGNED BY DIRECTOR <i>Cleared 8/14/08, better attached.</i>	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____
	<input type="checkbox"/> FOIA DATE DUE _____
	<input type="checkbox"/> Necessary Action

APPROVALS <small>(Only when prepared for director's signature)</small>	APPROVE	* DISAPPROVE <small>(Note reason for disapproval and return to preparer.)</small>	COMMENT
1.			
2.			
3.			
4.			

KENT M. WILLIAMS
SENATOR, MARION, DILLON, MARLBORO
AND FLORENCE COUNTIES
SENATORIAL DISTRICT 30

COMMITTEES:
AGRICULTURE AND NATURAL RESOURCES
CORRECTIONS AND PENOLOGY
FISH, GAME AND FORESTRY
GENERAL
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RECEIVED

July 24, 2008

Log Myers
Dir Sign.
cc: Ms. Forkner

July 25 2008
Department of Health & Human Services
OFFICE OF THE DIRECTOR

Ms. Emma Forkner, Director
SCDHHS
P.O. Box 8206
Columbia, SC 29202

Dear Director Forkner,

Today I write to you on behalf of Dr. Charles Trant, a pediatric cardiologist at McLeod Children's Hospital in Florence. Dr. Trant contacted my office concerned about the new online Medicaid Provider Transparency Tool launched by your Agency. While I do agree it is important that the public has a way to track how their money is spent in the Medicaid program, Dr. Trant raised some very valid concerns about the possibility of this data being very misleading.

He specifically mentioned a program they have at McLeod Children's Hospital. He provides a service to the community where a drug called Synagis is given to protect premature infants and other chronically ill children from a deadly virus called RSV. The service generates about 2 million dollars in Medicaid payments every year in his name. However, he explained that the Medicaid Transparency Tool does not show that the Synagis program costs about 2 million dollars per year and the profits (if any) go to defer losses at McLeod Children's Hospital. At a glance, it would appear that all these funds go directly to the doctor, where in many cases the program is paid for thorough the hospital programs and the fees are used to offset these costs. I think Dr. Trant has raised some very valid concerns and I would appreciate some additional clarification from your agency as to how this data is used and developed.

I would appreciate someone on your staff looking into this matter and updating my office with your findings. Please feel free to call me if you have any questions or need additional information.

Sincerely,

KW
Kent Williams

cc: Charles Trant, MD

KW/dab



State of South Carolina
Department of Health and Human Services

Mark Sanford
Governor

August 4, 2008

Emma Forkner
Director

The Honorable Kent M. Williams
South Carolina Senate
Post Office Box 142
Gressette Senate Building
Columbia, South Carolina 29202

Dear Senator Williams:

Thank you for your letter regarding the South Carolina Department of Health and Human Services' (SCDHHS) new Medicaid Provider Transparency Tool. The site was developed in conjunction with Gov. Mark Sanford's office and features overall Medicaid payments to health care providers, the number of patients they served and the average cost per patient. The site is a companion to one launched several months ago that provides a detailed look at the agency's administrative expenditures. I believe these sites offer the public useful insight into how their tax dollars are used in support of South Carolinians in need.

I am familiar with the specific concerns of Dr. Charles Trant, and I want to assure you that the intent of this site is not to embarrass physicians nor dissuade them from administering life-saving drugs. Dr. Trant is correct that Synagis is a very expensive drug. In fact, the agency spent more than \$4.4 million on 842 patients on Synagis last year alone. Your letter also alludes to issues related to the delivery and billing of Synagis and their impact on McLeod Children's Hospital. SCDHHS is unclear about those specific arrangements, but we would be happy to explore them further.

The agency recognizes the transparency site, while useful, does have limitations. The data presented may require further explanations to get a more a precise picture of the array of services individual providers deliver. We hope it will prompt discussion and motivate the public to learn more about Medicaid. I have instructed our staff to consider feedback from Dr. Trant and others as we work to refine the site in the future. Thank you for your support of the Medicaid program and do not hesitate to contact me about this or any other issue.

Sincerely,

Emma Forkner
Director

EF:jp

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to close ✓