

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Giene</i>	DATE <i>7-20-11</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>100041</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <i>7-27-11</i>
2. DATE SIGNED BY DIRECTOR <i>C: Director Keck</i> <i>Cleared 8/18/11, letter attached</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.			
2.			
3.			
4.			

7/20/11
Please
109

From: Jennifer Lynch
To: Melanie Giese
CC: Annmarie McCanne
Date: 7/19/2011 9:36 AM
Subject: Letter from Governor Haley - Dr. Marion McMillan
Attachments: Marion McMillan - letter to Gov. Haley.pdf

Good morning,

Governor Haley's office forwarded the attached letter to me for a response. Dr. McMillan mentions that he met with you regarding endoscopic spinal surgical care services and he would like a follow-up response; therefore, I am forwarding this to you so that appropriate staff may respond to him.

Thanks!

Jennifer Lynch
Supervisor, Constituent Services
Department of Health and Human Services
(803) 898-3965
(803) 255-8350 FAX
lynchjen@scdhhs.gov



SYNERGY

SPINE CENTER

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Seneca, SC 29678
(864) 886-9888 office
(864) 886-9777 fax
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Marion R. McMillan MD

June 7, 2011

The Honorable Nikki Haley
Office of the Governor
1205 Pendleton Street
Columbia, SC 29201

Dear Governor Haley:

In April 2011, I read with interest your appeal on the SC Medicaid website asking for suggestions to help the SC Medicaid program save money to lessen the effects of the current fiscal crisis. Synergy Spine Center is one of 4 or 5 centers nationwide to offer outpatient endoscopic spinal surgical care services for patients with herniated disc and related conditions. Randomized controlled clinical trials in the American literature have proven the safety and effectiveness of these minimally invasive procedures compared to older open spinal surgical techniques performed in hospitals at much greater cost to the program. We regularly see Medicaid patients, but because of blind adherence to federal Medicare rules, Medicaid patients are not currently eligible to receive these services. Under new Medicaid managed care rules, program representatives have the administrative discretion to modify eligibility requirements to make these safe, modern outpatient endoscopic spinal surgical procedures available to Medicaid beneficiaries. If they were, the Medicaid program would save approximately \$2,700.00 per case and patients would receive safer, better care in the process. Using Medicaid figures for 2010 in the aggregate, the program could have saved over one million dollars if the transition from hospital based spinal surgery to outpatient endoscopic spinal surgical services were complete.

In answer to your call, I contacted Melanie Giese and her staff at SC DHHS and a meeting was arranged to discuss making outpatient endoscopic spinal care

services available to Medicaid beneficiaries. According to Ms. Glese, patient safety was the primary consideration affecting the eligibility of Medicaid beneficiaries to receive these cost saving outpatient procedures. On April 19, 2011 a detailed presentation was delivered to program representatives. In addition to the published literature I presented proving that outpatient endoscopic spinal surgery is actually safer with fewer complications than the inpatient open spinal surgery that Medicaid patients currently receive, an international panel of experts provided additional letters of support attesting to the safety of these procedures in ambulatory outpatients. To date, I have not been made aware that any action has been taken on the request, and have been advised that program decision makers have been preoccupied with other legislative matters. Likewise, no date for further action or follow-up has been given concerning the request.

Considering the current fiscal crisis of our state and the Medicaid program, and the availability of safer, more cost effective treatment options, I would appreciate feedback from your office regarding the status of the request to make outpatient endoscopic spinal surgery available to Medicaid recipients, or when a decision may be reached. As a career spine care professional with extensive experience in the comprehensive management of spinal pain problems costing the Medicaid program millions of dollars annually, I can think of no better way to improve patient care and save precious dollars in the process.

I am immediately available to provide further input or to answer any additional questions if needed.

Sincerely,

Marion R. McMillan MD

Constituent Services - Correspondence with Governor

From: "Peters, Hal" <HalPeters@gov.sc.gov>
To: "constituent_services@scdhhs.gov" <constituent_services@scdhhs.gov>
Date: 7/15/2011 11:58 AM
Subject: Correspondence with Governor
Attachments: hhs4.PDF

Please find attached correspondence with a constituent(s) we are referring to you. If you have any questions, please don't hesitate to contact me.

Sincerely,

Hal Peters
Policy Analyst | Office of Governor Nikki Haley
O: 803.734.4062 | halpeters@gov.sc.gov



August 18, 2011

Marion R. McMillan, M.D.
457 Bypass 123
Seneca, South Carolina 29678

Dear Dr. McMillan:

The South Carolina Department of Health and Human Services (SCDHHS) received your letter to Governor Nikki Haley regarding the Synergy Spine Center in Seneca, South Carolina. We appreciate your efforts to assist the Medicaid program to reduce expenditures by offering to perform specific spine surgeries in a less cost efficient setting than inpatient hospitals.

I understand that you have met with my staff, as well as the Managed Care Organizations (MCOs) at their monthly operational meeting here at the agency regarding this coverage option. During your visit on April 19, 2011, our Medical Director, Dr. Tan Platt, expressed his concern that you are requesting coverage of endoscopic spinal surgery that has not been approved by the Centers of Medicare and Medicaid (CMS) when performed in the Ambulatory Surgery Center (ASC). Medicaid's policy for coverage of a procedure performed in an ASC is based on the list of approved surgeries as published by CMS. Dr. Platt also believes his decision not to approve reimbursement in an ASC is in the best interest of our Medicaid beneficiaries at this time. We would be happy to review more research involving experience and safety in the ASC as it becomes available.

If we can be of additional assistance, please do not hesitate to contact Ms. Zenovia Vaughn, Program Director at (803) 898-2682. I appreciate the services you currently provide and look forward to your continued support of the South Carolina Medicaid program.

Sincerely,

Melanie "BZ" Giese, RN
Deputy Director

MG/vs

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1. <i>[Signature]</i>			<i>8/5/11</i>
2. <i>BS [Signature]</i>	<i>8/11 OK [Signature]</i>	<i>5/11 8/9/11</i>	
3. <i>[Signature]</i>	<i>8/20/11</i>		
4.			