

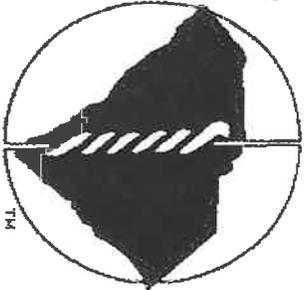
**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR**

ACTION REFERRAL

TO	DATE
<i>Meyer</i>	<i>10-10-08</i>

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>100199</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Ms. Forkner closed 10/14/08, letter attached.</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>10-21-08</i>
	<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.			



FAX

South Carolina Medical Association
Physicians dedicated to the health of all South Carolinians

P.O. Box 11188, Columbia, SC 29211-1188
(803) 798-6207 | 1-800-327-1021

Fax: (803) 772-6783
www.scmancf.org

TO: Emma Forkner, Director
FAX #: (803) 255-8235
Total Pages: 3

FROM: Todd Atwater
C/O: Shana Fender
DATE: 10/10/08



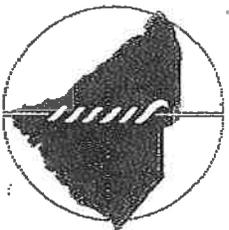
OCT 10 2008

Department of Health & Human Services
OFFICE OF THE DIRECTOR

- Urgent
- FYI
- Approve

- Reply Requested by _____
- Review / Advise
- Per your Request

Comments: _____



South Carolina Medical Association

Voices of One. Power of Many.

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President

John C. Black, MD
President-Elect

Marshall L. Atcheson, III, MD
Secretary

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October 8, 2008

Col. Emma Forkner, Director
South Carolina Department of Health & Human Services
P.O. Box 8206
Columbia, SC 29202

RECEIVED

OCT 10 2008

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Dear Director Forkner,

As President of the South Carolina Medical Association, I understand that you have very tough decisions to make as your department contemplates further mandated reductions in the various agencies due to the significant South Carolina state budget deficit. These decisions are very difficult and we know that you do not treat lightly the cutting of funding to vital programs.

Dr. Tarasidis previously asked you to consider protection of the physician reimbursement rate percentage as you deliberated the original mandated 3% cuts. While we would like to maintain a percentage as close to Medicare values as possible, we do realize that no one is or should be immune to some reductions.

However, you should know that South Carolina already faces a physician shortage, especially in the primary and preventive care specialties which the Medicaid population utilizes, and the previous Medicaid rates were driving physicians to early retirement, or to limit the number of Medicaid patients in order for their practices to survive. Less than 10% of medical students in South Carolina will be going into primary care, as it currently stands. Access to care for the Medicaid and Medicare population is already perilous. That is why other states are actually providing financial incentives for physicians to specialize in primary care. Any further cuts will cripple our ability to retain the already small number of primary care physicians currently practicing and graduating residents. The effects of any further cuts will be devastating to the patients of our state.

I would respectfully and fervently ask on behalf of the physician community and patients of South Carolina that you hold the physician community harmless from any further rate reductions in reimbursement.

Thank you for your careful consideration of this request, and for your sincere commitment to the patients of South Carolina. We share that commitment to quality care, and hope that you give

the physician community the chance to financially survive so that we may provide the access to care that our patients so desperately need.

Sincerely,



Richard A. Schmitt, MD, FACP
President
South Carolina Medical Association



State of South Carolina
Department of Health and Human Services

Mark Sanford
Governor

October 14, 2008

Emma Forkner
Director

log # 199
to close ✓

Richard A. Schmitt, MD, FACEP
President
South Carolina Medical Association
Post Office Box 11188
Columbia, South Carolina 29211-1188

Dear Dr. Schmitt:

Thank you for taking the time to write me about the mid-year budget reductions. Coming up with the initial 3% reduction mandated by the state Budget and Control Board was an extremely difficult task. According to the most recent revenue forecasts from state economists, the reduction was not sufficient to avoid a state deficit and even more cuts are expected soon.

We recognize the negative impact rate reductions have on the providers and their ability to treat Medicaid beneficiaries in need. Further cuts to physicians would likely create serious access to care issues in some parts of the South Carolina; a scenario that we agree should be avoided if at all possible. Cuts to Medicaid also have a ripple effect on the entire state's economy since about \$5 billion a year in Medicaid money alone flows through the South Carolina's health care industry.

Although the budget situation is fluid, I can tell you that if the legislature returns to consider further cuts we will advocate for lower reductions for Medicaid. I hope the South Carolina Medical Association will join us in our advocacy efforts on behalf of the state's most vulnerable residents. Thank you again for your letter and please feel free to contact me directly if you wish to discuss this issue further.

Sincerely,

A handwritten signature in cursive script that reads "Emma Forkner".

Emma Forkner
Director

EF:jp