

From: Stirling, Bryan  
To: Pitts, Ted <TedPitts@gov.sc.gov>  
Baker, Josh <JoshBaker@gov.sc.gov>  
Soura, Christian <ChristianSoura@gov.sc.gov>  
Date: 5/3/2013 11:59:26 AM  
Subject: FW: South Carolina Recovery Audit

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Have any of ya'll been talking with these folks?

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From: Brenda Russell [mailto:brussell@ras-dc.com]  
Sent: Thursday, May 02, 2013 2:56 PM  
To: Stirling, Bryan  
Subject: South Carolina Recovery Audit

Good Afternoon Bryan,

This is to follow up on the status of the recovery audit for the South Carolina. I would appreciate an opportunity to meet with you either in-person or via phone to discuss opportunities for South Carolina to recover significant resources. I would like to share lessons learned from other states that could greatly benefit the State. We have officials from Alabama that would be glad to respond to any questions you might have about the process and how RAS is benefiting the State. We have a draft Executive Order based on our experience in other states that could easily be tailored for South Carolina. It would eliminate many barriers to a valid audit and increase the timely recovery of overcharges documented by the audit.

Recovery Audit Specialists (RAS) has been contracted to conduct a recovery audit on all state agency and public institutions of higher education expenditures. That audit is progressing well. This is a good government initiative that brings accountability and transparency on how taxpayers dollars are handled by the State's vendors. A recovery audit uncovers, documents and helps recover funds due to the state as a result overpayments that occur for many reasons.

As part of the audit we had begun working with the insurance board prior to it being reorganized out of the Budget and Control Board into the new Public Employee Benefit Authority (PEBA). It was put on hold until the PEBA leadership was in place.

We met with the director of PEBA last November who informed us that he was departing at the end of December and we should talk to the new director when one is appointed.

The vast majority of recovery potential is in medical and pharmacy benefits, which are very complex transactions. We have not been able to begin analyzing medical and pharmacy transactions for the start for the State yet and would like to discuss that with you.

I look forward to meeting you soon.  
Best Regards,  
Brenda

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