

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Myers</i>	DATE <i>05-14-09</i>
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DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER <i>1011541</i>		<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____	
2. DATE SIGNED BY DIRECTOR <i>Dr. Emma Jackson</i> <i>Cleared 5/27/09, letter attached.</i>		<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>5/30/09</i> 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. <i>Letter dated 6/8/09 attached.</i>			
2.			
3.			
4.			



CANNON PSYCHOLOGICAL ASSOCIATES PC

1376 Tiger Blvd., Suite 210
Clemson, SC 29631
Telephone: (864) 654-7848
Fax: (864) 654-5777

RECEIVED

MAY 14 2009

Department of Health & Human Services
OFFICE OF THE DIRECTOR

May 12, 2009

Fellicity Myers, Ph.D.

Deputy Director

Department of Health & Human Services

PO Box 8206

Columbia, SC 29202-8206

Dear Dr. Myers:

Thank you for your letter of May 8, 2009 regarding Medicaid policy and psychological services in South Carolina.

My questions regarding the illogical nature of the current policy remain. Since I am not a physician, why should I be required to be affiliated with the "Physicians Services" program in order to bill Medicaid directly for my services? I don't practice medicine—or dentistry or law. I am a licensed professional psychologist and practice clinical psychology. As for the "Psychological Services Program" it is so severely limited by regulations that it virtually nullifies the psychologist's ability to accept Medicaid patients and to bill Medicaid independently.

Then there remains the absurd notion of physicians "supervising" professional psychologists, something they are absolutely unqualified to do. Adding to the irony (or folly) of this policy is that psychologists pay 15 to 20 percent off the top for this "supervision". Sadly, this policy seems based on political considerations rather than reason or logic.

Now, Medicaid has mandated that the physicians must physically be on the premises to provide the "supervision" that he or she is totally unqualified to give. The deadline for this is June 30th. Since virtually no mental-health practice will be able to bring a physician on board, services to countless numbers of Medicaid patients will have to be abruptly terminated. Many non-medical mental-health practices who have worked closely with Medicaid will likely shut down. The net effect will be a drastic drop in the availability of mental health services to one of the neediest segments of our society.

Dr. Myers, this emperor has no clothes. Is anyone willing to step up and say so?

Best regards,

David G. Cannon, Ph.D.

David G. Cannon, Ph.D.
Licensed Clinical Psychologist



State of South Carolina
Department of Health and Human Services

Mark Sanford
Governor

Emma Forkner
Director

May 27, 2009

Dr. David Cannon
Cannon Psychological Associates
1376 Tiger Blvd., Suite 210
Clemson, SC 29631

Dear Dr. Cannon;

Thank you for your letter of May 12, 2009 regarding Medicaid policy and psychological services in South Carolina. I appreciate you taking the time to express your concerns.

With regard to our policy of physician supervision, let me assure you that this is not "based on political considerations rather than logic or reason" as you suggested in your letter. We require this supervision when the psychological services are billed under a physician's provider number. When services are billed in this manner, it is our expectation that your services have been prescribed by the physician to assist in the management of his or her patient's health care needs. The physician under whose number you bill is liable for the services provided and it is essential that he, or she, is aware of and approves the services you provide in these instances.

Our requirement for co-location is an attempt to promote the integration of healthcare. As I am sure you are well aware, individuals with serious behavioral health conditions typically have highly compromised physical health status as well. We are, in fact, aware of numerous mental health professionals who provide services, on a part-time or full-time basis, in a physician's office. We appreciate that this may not be an arrangement that works for all behavioral health providers, but it has been supported in many other states as an effective avenue to promote integrated care.

With regard to your ability to bill Medicaid independently, I appreciate your frustration regarding the limits on those services. In South Carolina, the state matching dollars for behavioral health services do not reside at SCDHHS, but, rather, are allocated to a number of state agencies including DMH, DAODAS, Continuum of Care, and DDS. Given that reality, SCDHHS policy has been to require authorization for services by these other state agencies.

Dr. David Cannon

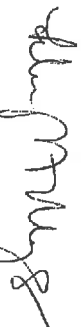
May 27, 2009

Page 2

We are currently working on a State Plan Amendment that will significantly impact the provision of behavioral health services. Once that State Plan Amendment is finalized and approved by the Centers for Medicare and Medicaid Services, we anticipate significant revision to our policy regarding behavioral health services. Until that time, we will need to maintain our current policies.

Thank you for your willingness to serve Medicaid beneficiaries.

Sincerely,

A handwritten signature in dark ink, appearing to read 'F. Myers', with a stylized flourish at the end.

Felicity Myers, Ph.D.

Deputy Director, Medical Services



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June 8, 2009

Dr. Felicity Myers
Deputy Director, Medical Services
S.C. Dept. of Health & Human Services
PO Box 8206
Columbia, SC 29202-8206
FAX: (803)255-8235

Dear Dr. Myers:

Thank you for your letter of May 27, 2009. We have always appreciated your responses to our enquiries in the past.

Again, I am utterly unclear as to why the services of a professional psychologist should have to be billed under a physician's provider number in the first place. Why not have the physician refer the patient to a psychologist if he suspects psychological problems. If a physician refers a patient to a cardiologist, oncologist, dentist, neurologist, or dermatologist, are these specialists required to bill under that physician's provider number, and then be "supervised" by him? Of course not. The notion is laughable because the physicians lack the training to provide any such "supervision".

As for locating oneself in a physician's office, does that in some magical way confer on him the ability to supervise my work, a field in which he has virtually no training? If I share office space with a dentist, does that in some mystical way make him a psychologist—or me a dentist?

To me, integrated health care is the enlightened referral of patients to professionals who have expertise in fields other than one's own. I frequently refer patients to a local neurologist. He at times refers patients to me for neuropsychological screenings. It would never occur to either of us to require some type of bogus supervision over the other's work.

I recently saw a leading TV doctor commenting on various children's problems. He cited cases where the pediatrician would need to make a referral to a psychologist, stating that the physician "doesn't have the time or the training to provide psychological service." I would guess that this makes eminently good sense to 99% of medical and mental-health professionals. But, apparently not to Medicaid.

I'm glad to hear that the state is examining this regressive and illogical policy. Unfortunately, by the end of June, the damage will have been done.

Best regards,

David G. Cannon, Ph.D.
David G. Cannon, Ph.D.
Licensed Clinical Psychologist

Cc: Emma Forkner

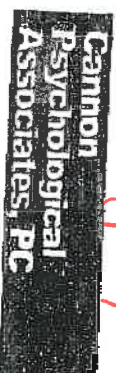
Ref Log # 1641
File

06/08/2009 15:00 8646545777

CANNON PSYCHOLOGICAL

PAGE 01/02

1376 Tiger Blvd., Ste. 210 Clemson, SC 29631
Phone: 864-654-7848 Fax: 864-654-5777



Ref Log # 141
Log N/A per Myers on 6/16/09

Fax

To: Dr. Felicity Myers From: Dr. David Cannon

Fax: (803) 255-8235 Pages: including cover 2

Phone: (803) 898-2501 Date: _____

Re: Medicaid Policy cc: Emma Forkner

☐ Urgent ☒ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

• Comments:

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06/08/2009 03:07PM

06/08/2009 15:00 8646545777

CANNON PSYCHOLOGICAL

PAGE 02/02



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June 8, 2009

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Licensed Clinical Psychologist

Cc: Emma Forkner

06/08/2009 03:07PM

SC 29631
15777**Cannon
Psychological
Associates, PC**Brande -
Pls fill w/ "Chubb -
How would like
for me to proceed
Ref Log # 641To: Ms. Emma Forkner From: Dr. David CannonFax: (803) 255-8235Pages: 4 including coverPhone: (803) 898-2501Date: 6-8-09Re: Medicaid policy

cc:

☐ Urgent ☒ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

Comments:

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June 8, 2009

Ms. Emma Forkner, Director
S.C. Dept. of Health & Human Services
FAX: (803)255-8235

Dear Ms. Forkner:

I am forwarding two letters I sent to Dr. Felicity Myers. They regard current policies regulating Medicaid billing by professional, doctoral-level psychologists. I believe they are self explanatory.

Obviously, I believe the current policies to be regressive, illogical, and contrary to the basic precepts of parity between medical and mental-health services.

Your judicious consideration and any input will be greatly appreciated.

Best regards,

David G. Cannon, Ph.D.
David G. Cannon, Ph.D.
Licensed Clinical Psychologist

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TO <i>Myers</i>	DATE <i>05-14-09</i>
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