

Agency Name:	Department Of Health & Human Services		
Agency Code:	J020	Section:	33



Fiscal Year FY 2022-2023

Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS <i>(FORM B1)</i>	For FY 2022-2023, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
	<input checked="" type="checkbox"/>	Requesting Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

NON-RECURRING REQUESTS <i>(FORM B2)</i>	For FY 2022-2023, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.

CAPITAL REQUESTS <i>(FORM C)</i>	For FY 2022-2023, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.

PROVISOS <i>(FORM D)</i>	For FY 2022-2023, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Quincy Swygert	(803) 462-4070	Jacob.Swygert@scdhhs.gov
SECONDARY CONTACT:	Clark Phillip	(803) 898-1017	Thomas.Phillip@scdhhs.gov

I have reviewed and approved the enclosed FY 2022-2023 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<u>Agency Director</u>	<u>Board or Commission Chair</u>
SIGN/DATE:		
TYPE/PRINT NAME:		

This form must be signed by the agency head – not a delegate.

Agency Name:	Department Of Health & Human Services
Agency Code:	J020
Section:	33

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Maintenance of Effort Annualization	224,007,761	219,359,786	5,460,216	5,402	448,833,165	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	Request to Maintain Access to Long Term Care Services	9,088,838	115,113,750	0	0	124,202,588	0.00	0.00	0.00	0.00	0.00
3	B1 - Recurring	Provider Rates	18,590,000	71,190,000	15,520,000	0	105,300,000	0.00	0.00	0.00	0.00	0.00
4	B1 - Recurring	Systems Cost	7,551,766	64,113,391	0	0	71,665,157	0.00	0.00	0.00	0.00	0.00
5	B1 - Recurring	The South Carolina Institute of Medicine & Public Health	100,000	0	0	0	100,000	0.00	0.00	0.00	0.00	0.00
6	B1 - Recurring	South Carolina Department of Disabilities and Special Needs (SC DDSN) Appropriation Transfer	172,000,000	0	0	0	172,000,000	0.00	0.00	0.00	0.00	0.00
TOTALS			431,338,365	469,776,927	20,980,216	5,402	922,100,910	0.00	0.00	0.00	0.00	0.00

Agency Name:	Department Of Health & Human Services		
Agency Code:	J020	Section:	33

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	1
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Maintenance of Effort Annualization
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$224,007,761 Federal: \$219,359,786 Other: \$5,465,618 Total: \$448,833,165
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What is the net change in requested appropriations for FY 2022-2023? This amount should correspond to the total for

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input checked="" type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input checked="" type="checkbox"/>	IT Technology/Security related
	<input checked="" type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input checked="" type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>These annualizations are distributed throughout the agency's budget and touch upon each of the five defined goals and their respective objectives.</p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	<p>This package is designed to continue providing current services to beneficiaries eligible for Medicaid under existing criteria. Funds from this decision package would be used to reimburse Medicaid providers for rendered services.</p>
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

	<p>The annualization decision package represents the annual amount necessary to keep the program operating in its current configuration. It is the maintenance of effort required to continue the current service and reimbursement levels to Medicaid beneficiaries.</p> <p>There are four major cost drivers related to Medicaid services:</p> <p>Enrollment – Any resident of South Carolina who meets the defined federal poverty level, based on their household composition, is eligible for Medicaid services. Enrollment into Medicaid is a non-controllable cost driver.</p> <p>Utilization – Utilization relates to the number of services received by Medicaid beneficiaries. This is measured in terms of the number of enrollees receiving services and the quantity of services the enrollees are receiving. Utilization is a semi-controllable cost driver.</p> <p>Reimbursement – Annual changes to reimbursement methodologies, including rates, can be mandatory. An example of this is the annual increase in Medicare premiums</p>
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that are set by the federal government. Non-mandatory changes are essential for maintaining healthy outcomes, as well as access to care, for Medicaid beneficiaries or the uninsured population. Reimbursement is a semi-controllable cost driver.

Service Package Array – The Centers for Medicare and Medicaid Services (CMS) requires specific mandatory health care services that South Carolina must include in its state plan. There are several optional services that South Carolina covers that are non-mandatory, such as pharmaceutical services. South Carolina's service package array is a semi-controllable cost driver.

Based on the above four cost drivers, the South Carolina Department of Health and Human Services (SCDHHS) reviews population growth and realignment, provider billing behavior, provider rates, and federal regulations and financial participation annually. Trends among these primary cost drivers comprise the majority of the Department's annual request for maintenance of effort annualization. For FY 2022-23, the Department is requesting three years of annualization given that Act 135 of 2020-21, Act 94 of 2021-22 essentially level-funded the Department based upon the last three General Appropriation Acts.

Accordingly, the Department calculated a general fund maintenance of effort annualization for prior fiscal years of \$156,349,826.

The general fund annualization request for the current fiscal year is \$67,657,934. It is comprised of the following budget drivers:

- **Enrollment** - \$17,280,304: Managed care enrollment
- **Utilization** - \$9,722,066: Increases in utilization seen across services;
 - \$5 million for inpatient/outpatient hospital growth
 - \$4.7 million for all other fee-for-service (FFS) lines
- **Reimbursement** - \$24,607,610: Mandatory and non-mandatory increases
 - \$18.9 million for the Medicare and Medicaid dually eligible population to secure access to care in a manner that is cost effective for both the state and beneficiary. The increase is based upon published mandatory premiums and Departmental estimates of program participation.
 - The Department received the final federal fiscal year 2023 FMAP after its original submission. The impact was an increase of approximately \$3.6M in general funds.
 - \$2 million for a non-mandatory increase to the Disproportionate Share Hospital (DSH) allotment. This federal allotment increase, although not required by state or federal law, is currently paid to eligible hospitals at the maximum amount allotted to the state. As the allotment grows, so does the state's obligation to match federal funds with a state maintenance of effort.
 - Added in authorization for a respite rate increase for services provided through South Carolina Department of Disabilities and Special Needs (SC DDSN) -operated waivers
- **Service Package Array** - \$6M: The Department is extending postpartum coverage from 60 days to 1-year for those who qualify for Medicaid because they are pregnant.
- **Administrative annualization** - \$10,047,955: Includes incremental increases in multi-year medical contracts along with required changes to enhanced federal match rate for existing medical contracts
 - \$285,000 for new medical contracts
 - \$4.9 million for obligated increases to existing medical contracts
 - \$4.8 million to account for the state's eligibility system shifting from the enhanced federal match reimbursement ratio for system implementation of 90:10 to the standard federal match reimbursement ratio for system operation of 75:25

In total, the Department is requesting \$224,007,761 in recurring general funds. If this decision package is not funded, or is funded in part, the Department will accommodate the expenditures using agency reserves and flexibility authorities currently provided through statute and proviso. Lower funding in the short and intermediate term will accelerate reserve spending and hasten the need for either (a) even greater funding requests in future years; or, (b) additional cuts to Department operations and/or provider rates and services that would not be required otherwise.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

JUSTIFICATION OF REQUEST

Agency Name:	Department Of Health & Human Services		
Agency Code:	J020	Section:	33

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	2
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Request to Maintain Access to Long Term Care Services
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$9,088,838 Federal: \$115,113,750 Other: \$0 Total: \$124,202,588
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What is the net change in requested appropriations for FY 2022-2023? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input checked="" type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>This decision package supports the strategy of 1.1, which strives to implement policies that provide care in clinically appropriate, cost-effective settings.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	<p>Funds from this decision package would be used to reimburse Medicaid nursing home, community long term care (CLTC) waiver, and Optional State Supplement (OSS) providers for rendered services.</p>
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

**JUSTIFICATION OF
REQUEST**

This package is designed for long-term care services, both for those residing in a licensed and/or certified nursing facility and for those participating in CLTC waivers. This decision package addresses the annual nursing home rate increase associated with the cost-of-living-allowance updates and continued growth to the CLTC waivers under existing criteria.

Under current Department operations, nursing home rates are adjusted annually, usually resulting in an increase. These increases relate to adjustments made for nursing home rates according to the cost-of-living allowance. This year, the Department projects an increase of \$1,819,312 in state funds.

The CLTC waivers have seen growth of approximately 30% in census over the last five years (2017 – 2021). The Department estimates the growth will continue by approximately 1,000 slots, resulting in an increase of \$6,914,786 general funds.

The Department has included an increase related to annual cost-of-living adjustments for the OSS program increasing general funds by \$354,740 in this decision package.

If this decision package is not funded, the Department would consider not increasing the nursing home rates in October and explore future actions to curtail CLTC census growth. The Department did not cap enrollment in CLTC waivers as discussed in prior fiscal years due to the ongoing public health emergency. The Department has elected not to move forward with waiver enrollment caps despite Act 135 of 2020-21, Act 94 of 2021-22, which essentially level-funded the Department based upon the last three General Appropriation Acts but may be forced to consider actions in future years.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Department Of Health & Human Services		
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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	3
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Provider Rates
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$18,590,000 Federal: \$71,190,000 Other: \$15,520,000 Total: \$105,300,000
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What is the net change in requested appropriations for FY 2022-2023? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input checked="" type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>This decision package focuses on provider rates, which supports goal 2, strengthen the health and well-being of South Carolinians across their lifespan, by maintaining an adequate provider network.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	<p>The funding would go to providers serving Medicaid beneficiaries.</p>
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

The Department is continuing to evaluate provider rates across its provider network. Through this decision package, SCDHHS is planning to implement provider rate increases. These changes are essential for maintaining healthy outcomes, as well as access to care, for Medicaid beneficiaries.

Decision package reflects the projected increase for the providers or services below:

- **Hospital Normalization Elimination** - Eliminate the disparities resulting from previous normalization actions on inpatient and outpatient hospitals and reflect the costs of re-classifying qualifying hospitals as rural facilities for DSH purposes
- **Psychiatric Residential Treatment Facility** - Increase rates by 6.8% based on latest cost report data; an additional midyear cost update may also occur pending results of behavioral health services re-design
- **Adult Day Health Care** - Increasing per diem rate by 6.4% based on market comparison
- **Incontinence Supplies** - Increase rates by 10%; rates not updated since 2011 rate cuts
- **Community Residential Care Facilities** - Increase rates by \$100 (approximately 7%); rates not updated since FY14, outside of cost-of-living adjustments
- **Home Delivered Meals** - Increase rate by approximately 22% pending CMS approval; rates not updated since 2011 rate cuts
- **Autism** - Increases rates for autism treatment by 30% to help ensure sufficient provider network based on market comparison
- **DAODAS** - Increase rates paid to DAODAS by 15% for those receiving individual counseling, assessment, detox residential and outpatient treatment; rates not updated since 2013
- **DDSN** - Pending DDSN waiver redesign and their FY2023 budget request approval, DHHS is asking for the additional earmarked and federal authorization

If this decision package is not funded, the Department would continue with rate schedule modernization and consolidation, but without net increases to the provider community.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Department Of Health & Human Services		
Agency Code:	1020	Section:	33

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	4
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Systems Cost
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$7,551,766 Federal: \$64,113,391 Other: \$0 Total: \$71,665,157
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What is the net change in requested appropriations for FY 2022-2023? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input checked="" type="checkbox"/>	IT Technology/Security related
<input checked="" type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>These annualizations are distributed throughout the agency's budget and touch upon each of the five defined goals.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	<p>The Medicaid Management Information System (MMIS) replacement project is operating under a Centers for Medicare & Medicaid Services (CMS) -approved Advance Planning Document. The procurements already issued have been approved by CMS and State Fiscal Accountability Authority (SFAA) and have also completed a public comment stage. The remaining procurements will go through the same process.</p>
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Different components of this project are eligible for various federal match rates: 90/10, 75/25, and 50/50. The majority of this request would be funded 90% federal/10% state.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

The Department operates using an Medicaid Management Information System (MMIS) that is nearly four decades old and not capable of meeting the program's ongoing needs. MMIS and its component systems are critical to a number of key operational functions such as enrolling providers, managing and reporting on expenditures, and processing claims. The federal government, through CMS, has directed the Department to develop a plan for the replacement of this system. After a radical overhaul of this plan in 2015 and a thorough vetting by Gartner, CMS approved the Department's new MMIS strategy in 2016.

The MMIS project is a multi-year effort, with plans and individual procurements subject to multiple rounds of state and federal review and approval. The overall objectives of the MMIS project are:

1. To maintain reliability in claims payment throughout the transition to the new system;
2. To replace a number of contracts that are currently operating on an emergency and/or sole source basis with competitively bid replacements;
3. To improve the MMIS system's capabilities and reduce the risk of a system failure; and,
4. To transition to the CMS-required modular approach that allows South Carolina to make the most of available technologies, while setting a baseline that will make future MMIS replacements incremental and lower-risk.

Under the approved MMIS plan, the Department anticipates multiple MMIS components will be in the "Final Design, Development, and Implementation" stage during FY 2023 and FY 2024. This request represents several projects reaching peak implementation, and therefore cost, in FY 2023. These projects include the implementation and operation of portions of the member management and eligibility system, the Department's transition to cloud-based computing, and the electronic visit verification, as required by federal law, and others.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Department Of Health & Human Services		
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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	5
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	The South Carolina Institute of Medicine & Public Health
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$100,000 Federal: \$0 Other: \$0 Total: \$100,000
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What is the net change in requested appropriations for FY 2022-2023? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input checked="" type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	This decision package focuses on goal 2, which is to strengthen the health and well-being of South Carolinians across their lifespan.
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	The funds from this decision package would go to the South Carolina Institute of Medicine & Public Health.
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

**JUSTIFICATION OF
REQUEST**

The South Carolina Institute of Medicine & Public Health is an independent entity that serves as an informed nonpartisan convener around the important health issues in our state. This request will help provide evidence-based information to inform health policy decisions. This money would be used for Medicaid and public health analysis and research that will benefit the Medicaid program

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Department Of Health & Human Services		
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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	6
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	South Carolina Department of Disabilities and Special Needs (SC DDSN) Appropriation Transfer
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$172,000,000 Federal: \$0 Other: \$0 Total: \$172,000,000
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What is the net change in requested appropriations for FY 2022-2023? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>These annualizations are distributed throughout the agency's budget and touch upon each of the five defined goals.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS	<p>The funding would go to providers serving Medicaid beneficiaries enrolled in the Community Supports (CS) and Intellectual Disability and Related Disabilities (ID/RD), and Head and Spinal Cord Injury (HASCI) waivers.</p>
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

Through this decision package, SCDDSN will transfer \$172M in existing general fund appropriations to SCDHHS as a result of a joint decision to move to a direct fee-for-service model. This decision package is net neutral to the state.

**JUSTIFICATION OF
REQUEST**

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

FORM D – PROVISO REVISION REQUEST

NUMBER

33.22

Cite the proviso according to the renumbered list (or mark "NEW").

TITLE

Rural Health Initiative

Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM

II. Programs and Services A. Health Services 2. Medical Contracts - Provider Support & Rural Health Initiative

Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST

N/A

Is this request associated with a budget request you have submitted for FY 2022-2023? If so, cite it here.

REQUESTED ACTION

Amend

Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED

N/A

Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION

This amendment strikes the reference to hospital transformation based on CMS guidance to eliminate transformation grants.

Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

No fiscal impact as a result of this technical change.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

(DHHS: Rural Health Initiative) From the funds appropriated to the Department of Health and Human Services for the Rural Health Initiative in the current fiscal year, the department shall partner with the following state agencies, institutions, and other key stakeholders to implement these components of a Rural Health Initiative to better meet the needs of medically underserved communities throughout the state. The department may leverage any and all available federal funds to implement this initiative. Recurring and non-recurring funding for the Rural Health Initiative may be carried forward by the department and expended for the same purpose.

(A) The Department of Health and Human Services shall incentivize the development of primary care access in rural and underserved areas, leverage Medicaid spending on Graduate Medical Education (GME) by implementing methodologies that support recommendations contained in the January 2014 report of the South Carolina GME Advisory Group, and continue to leverage the use of teaching hospitals to ensure rural physician coverage in counties with a demonstrated lack of adequate access and coverage through the following provisions:

(1) Rural and Underserved Area Provider Capacity - the department shall partner with the University of South Carolina School of Medicine to develop a statewide Rural Health Initiative to identify strategies for significantly improving health care access, supporting physicians, and reducing health inequities in rural communities. In addition, the department shall also contract with the MUSC Hospital Authority in the amount of \$1,500,000, and the USC School of Medicine in the amount of \$2,000,000 to further develop statewide teaching partnerships. The department shall also expend \$5,000,000 in accordance with a graduate medical education plan developed cooperatively by the Presidents or their designees of the following institutions: the Medical University of South Carolina, the University of South Carolina, and Francis Marion University.

(2) Rural Healthcare Coverage and Education - The USC School of Medicine, in consultation with statewide rural health stakeholders and partners, shall continue to

**PROPOSED
PROVISO TEXT**

operate a Center of Excellence to support and develop rural medical education and delivery infrastructure with a statewide focus, through clinical practice, training, and research, as well as collaboration with other state agencies and institutions. The center's activities must be centered on efforts to improve access to care and expand healthcare provider capacity in rural communities. The department shall authorize at least \$2,000,000 to support center staffing as well as the programs and collaborations delivering rural health research, the ICARED program, workforce development scholarships and recruitment, rural fellowships, health education development, and/or rural practice support and education. Funding released by the department pursuant to this section must not be used by the recipient(s) to supplant existing resources already used for the same or comparable purposes. No later than February first of the current fiscal year, the USC School of Medicine shall report to the Chairman of the House Ways and Means Committee, the Chairman of the Senate Finance Committee, and the Director of the Department of Health and Human Services on the specific uses of funds budgeted and/or expended pursuant to this provision.

(3) Rural Medicine Workforce Development - The department, in consultation with the Medical Education Advisory Committee (MEAC), shall support the development of additional residency and/or fellowship slots or programs in rural medicine, family medicine, and any other appropriate primary care specialties that have been identified by the department as not being adequately served by existing Graduate Medical Education programs. The department shall ensure that each in-state member of the Association of American Medical Colleges is afforded the opportunity to participate in MEAC. New training sites and/or residency positions are subject to approval as specified by the Accreditation Council for Graduate Medical Education (ACGME). The department may also accept proposals and award grants for programs designed to expose resident physicians to rural practice and enhance the opportunity to recruit these residents for long-term practice in these rural and/or underserved communities. Up to \$500,000 of the recurring funds appropriated to the department for the Rural Health Initiative may be used for this purpose. Additionally, the department shall use up to \$200,000 of the recurring funds appropriated for the Department of Aging's Geriatric Physicians Loan Forgiveness program.

(4) Statewide Health Innovations - At least \$2,500,000 must be expended by the department to contract with the USC School of Medicine and at least \$1,000,000 to Clemson University to develop and continue innovative healthcare delivery and training opportunities through collaborative community engagement via ICARED, Clemson Rural Health Programming, and other innovative programs that provide clinical services, mental and behavioral health services, children's health, OB/GYN services, and/or chronic disease coverage gaps. In consultation with statewide rural health stakeholders and partners, the department must ensure collaborative efforts with the greatest potential for impact are prioritized.

(5) Maternal Mortality Reduction - Prior to the expiration of the COVID-19 public health emergency, the department shall ensure that 12-month postpartum coverage is preserved by making the election offered pursuant to Section 1902(e)(16) of the Social Security Act. The Department of Health and Human Services shall collaborate with the South Carolina Maternal Mortality and Morbidity Review Committee to develop a method of evaluating the effectiveness of this provision.

(B) The department shall continue to investigate the potential use of DSH and/or any other allowable and appropriate source of funds in order to improve access to emergency medical services in one or more communities identified by the department in which such access has been degraded due to a hospital's closure during the past five years.

~~(1) In the current fiscal year, the department is authorized to establish a DSH pool, or carry forward DSH capacity from a previous period as federally permissible, for this purpose and/or if deemed necessary to implement transformation plans for which conforming applications were filed with the department pursuant to this or a previous hospital transformation or rural health initiative proviso, but for which additional negotiations or development were required. An emergency department that is established within 35 miles of its sponsoring hospital pursuant to this or a previous hospital transformation or rural health initiative proviso and which receives dedicated funding pursuant to this proviso shall be exempt from any Department of Health and Environmental Control Certificate of Need requirements or regulations. Any such facility shall participate in the South Carolina Telemedicine Network.~~

~~(2) The department may solicit proposals from and provide financial support for capital expenditures associated with the replacement of two or more rural hospitals, not to exceed one quarter of the total project capital budget. Such a plan must be submitted by a hospital system approved to advise a rural transformation project, and the project must be subject to ongoing advisement by the submitting facility, or subject to acquisition by the advising facility. The advised facility must be designated as a critical access hospital in a county experiencing not less than four percent decrease in population between the most recent decennial censuses and have been deemed eligible to participate in the rural transformation pool in a prior fiscal year. The department shall require such written agreements which may require project milestone, last dollar funding, and other stipulations deemed necessary and prudent by the department to ensure proper use of the funds.~~

(C) The Revenue and Fiscal Affairs Office and the Area Health Education Consortium's

Office of Healthcare Workforce Analysis and Planning shall provide the department with any information required by the department in order to implement this proviso in accordance with state law and regulations. Not later than January 1, of the current fiscal year, the department shall submit to the President of the Senate and Speaker of the House of Representatives an evaluation of the state's safety-net providers that includes, at a minimum, Federally Qualified Health Centers, Rural Health Clinics, and to the extent applicable to funding received by the state, free clinics.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

FORM D – PROVISO REVISION REQUEST

NUMBER

33.23

Cite the proviso according to the renumbered list (or mark "NEW").

TITLE

IDEA Part C Compliance

Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM

II.A.7 – BabyNet

Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST

N/A

Is this request associated with a budget request you have submitted for FY 2022-2023? If so, cite it here.

REQUESTED ACTION

Amend

Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED

N/A

Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION

The requested change is a technical amendment to update the reporting date.

Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

No fiscal impact as a result of this technical change.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

(DHHS: IDEA Part C Compliance) With the funds available to the department, the Department of Health and Human Services shall report to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee no later December 31, ~~2021~~ **of the calendar year**, on the status of the department's efforts to bring the Individuals With Disabilities Education Act (IDEA) Part C program into compliance with federal requirements. This report must specifically address areas in which the IDEA Part C program has received low performance scores and include any relevant correspondence from the U.S. Department of Education. The report must explain the department's plan for bringing the program into compliance, including specific steps and the associated timeline.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

FORM D – PROVISO REVISION REQUEST

NUMBER

33.27

Cite the proviso according to the renumbered list (or mark "NEW").

TITLE

Optional State Supplement Adjustments

Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM

II. Programs and Services A. Health Services 3. Medical Assistance Payments

Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST

N/A

Is this request associated with a budget request you have submitted for FY 2022-2023? If so, cite it here.

REQUESTED ACTION

Amend

Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED

N/A

Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION

This amendment strikes the reference to the one-time payment in FY2021-22 as the retroactive payment was processed in the current fiscal year.

Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

No fiscal impact as a result of this technical change

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

(DHHS: Optional State Supplement Adjustments) Cost-of-living adjustments in benefit payments made by the federal government will result in adjustments in the Optional State Supplementation (OSS) Program as determined necessary by the Department of Health and Human Services to ensure that payment amounts are not reduced. The department shall adjust the OSS net income limitation, the OSS facility rate, and the personal needs allowance to ensure that payment amounts are not reduced. OSS benefit payment amounts shall be adjusted to reflect the changes in recipients' countable income. ~~The department shall make a one-time payment in Fiscal Year 2021-22 to account for the cost of living adjustments which occurred in the prior two fiscal years.~~

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

FORM D – PROVISO REVISION REQUEST

NUMBER

117.75

Cite the proviso according to the renumbered list (or mark "NEW").

TITLE

Information Technology for Health Care

Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM

II. Programs and Services A. Health Services 2. Medical Contracts - Provider Support

Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST

N/A

Is this request associated with a budget request you have submitted for FY 2022-2023? If so, cite it here.

REQUESTED ACTION

Delete

Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED

N/A

Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION

The committee has met and fulfilled obligations rendering this proviso moot.

Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

SCDHHS estimates no fiscal impact associated with this proviso.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

~~(GP: Information Technology for Health Care) From the funds appropriated and authorized to the Department of Health and Human Services, the department shall advance the use of health information technology and health information exchange to improve quality and efficiency of health care and to decrease the costs of health care as follows:~~

~~(A) In order to facilitate the qualification of Medicare and/or Medicaid eligible providers and hospitals for incentive payments for meaningful health information technology (HIT) use, a health care organization participating in the South Carolina Health Information Exchange (SCHIE) or a Regional Health Information Organization (RHIO) or a hospital system health information exchange (HIE) that participates in SCHIE may release patient records and medical information, including the results of any laboratory or other tests ordered or requested by an authorized health care provider within the scope of his or her license or practice act, to another health information organization that requests the information via a HIE for treatment purposes with or without express written consent or authorization from the patient. A health information organization that receives or views this information from a patient's electronic health record or incorporates this information into the health information organization's electronic medical record for the patient in providing treatment is considered an authorized person for purposes of 42 C.F.R. 493.2 and the Clinical Laboratory Improvement Amendments.~~

~~(B) There is established the Health Information Exchange Strategy Development Committee to make recommendations on the development of a statewide HIE strategy that is intended to promote interoperability for purposes of improving patient safety, eliminating redundant or unnecessary testing, and increasing the efficiency of the healthcare system. The committee shall assess other states' approaches to governing, financing, and implementing their statewide HIE efforts, including enhanced funding made available through the Centers for Medicare and Medicaid Services or other relevant~~

**PROPOSED
PROVISO TEXT**

~~agencies, and shall report its findings and recommendations to the Governor, the Chairman of the House Ways and Means Committee, and the Chairman of the Senate Finance Committee no later than November 15, 2021. The committee shall consider and leverage the capabilities of existing exchanges and organizations already present in South Carolina and shall solicit and evaluate the input of appropriate stakeholders, including but not limited to, those represented on the committee. Upon the request of the committee, the department shall furnish staff and other necessary resources to support the work of the committee, which shall be comprised of the following:~~

~~(1) the director of the Revenue and Fiscal Affairs Office or his designee, who shall serve as chair;~~

~~(2) the director of the Department of Health and Human Services or his designee;~~

~~(3) the director of the Department of Health and Environmental Control or his designee;~~

~~(4) the president of the Medical University of South Carolina or his designee;~~

~~(5) the CEO of the South Carolina Hospital Association or his designee;~~

~~(6) the CEO of the South Carolina Medical Association or his designee;~~

~~(7) the CEO of the South Carolina Primary Health Care Association or his designee; and~~

~~(8) an individual with substantial HIE experience, who shall be appointed by the Governor.~~

~~(C) The department shall be authorized to use any of its available and uncommitted funds to develop, submit, or implement any advance planning documents or other similar plans in furtherance of a statewide HIE strategy, and to secure any available federal funding. The department shall expeditiously prepare and submit any such documents or plans, particularly if necessary to meet any federal deadlines.~~

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	Department Of Health & Human Services		
Agency Code:	J020	Section:	33

FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION CONTINGENCY PLAN

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
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AMOUNT	\$42,818,262
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What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	None – cuts would be made to provider contracts and reimbursement for services mentioned below.
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM / ACTIVITY IMPACT	<p>For modeling purposes, the Department has identified five components of an overall package that could reduce General Fund expenditures by 3%:</p> <ul style="list-style-type: none"> • Retract rate increases implemented in last two years including for professional services that were effective July 2019 and 2020 with phase I and phase II of the Department’s pricing project (\$6 million) • Retract the 438.6 state-directed hospital quality payment initiative – (\$13,196,250) • Cap Disproportionate Share Hospital (DSH) allotment to the FFY 2020 level – (\$10,848,545) • Curtail or eliminate optional contracts and grants supported without federal match to entities that provide or administer services for populations not covered by the Medicaid or the Children’s Health Insurance Program (CHIP) – (\$12,773,467 is necessary to meet the target amount, but the Department can eliminate approximately \$50 million)
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What programs or activities are supported by the General Funds identified?

SUMMARY	<p>Reductions in the first bullet would reverse the most recently funded provider rate increases implemented for professional medical services.</p> <p>Reductions in the second bullet would end a recently implemented hospital quality payment initiative added to managed care rates in SFY 2020.</p> <p>Reductions in the third bullet would cap DSH allotment to a maximum of the FFY 2020 level.</p> <p>The final bullet would cut the general funds appropriated to the Department that are passed through to a variety of state agencies and entities for non-covered populations.</p>
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Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.

AGENCY COST SAVINGS PLANS

The following savings initiatives have been implemented, or are in the process of being implemented, by the Department along with their respective general funds savings:

1. Working to ensure the agency is most efficiently receiving federal funds for expenditures on Medicare premiums for eligible recipients resulting in \$9 million in general funds savings
2. Operating the Department's Division of Program Integrity saves approximately \$6-7 million through provider pre-payment reviews, provider post-payment reviews, the pharmacy lock-in program, terminations and exclusions and recipient utilization
3. Continuing to maximize pharmaceutical rebates and implement policies that result in the lowest expenditures net of rebates attainable
4. Close monitoring of all Replacement Medicaid Management Information System /Member Management Replacement Project/Medicaid Enterprise System TAPFIN costs. Implementing the Department's plan to transition consultants to state staff will result in general funds savings of greater than \$1 million
5. Handling third-party liability collections prospectively instead of through pay-and-chase

What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?

Agency Name:	Department Of Health & Human Services		
Agency Code:	J020	Section:	33

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	Reducing Cost and Burden to Businesses and Citizens
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	Time and cost savings for citizens and businesses
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What is the expected savings to South Carolina's businesses and citizens that is generated by this proposal? The savings could be related to time or money.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply: <table border="1"> <tr> <td><input type="checkbox"/></td> <td>Repeal or revision of regulations.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Reduction of agency fees or fines to businesses or citizens.</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Greater efficiency in agency services or reduction in compliance burden.</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Other</td> </tr> </table>	<input type="checkbox"/>	Repeal or revision of regulations.	<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.	<input checked="" type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.	<input checked="" type="checkbox"/>	Other
<input type="checkbox"/>	Repeal or revision of regulations.								
<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.								
<input checked="" type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.								
<input checked="" type="checkbox"/>	Other								

METHOD OF CALCULATION	The initiatives set forth in this plan have associated time or cost savings for businesses or citizens. Reductions in the time needed to process eligibility and provider applications reduces uncertainty for citizens about their healthcare coverage and healthcare business owners about the source of payment for goods and services rendered. Modernization of provider manuals makes it easier to understand the criteria and process for receiving reimbursement from the South Carolina Department of Health and Human Services (SCDHHS).
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Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

REDUCTION OF FEES OR FINES	N/A
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Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?

REDUCTION OF REGULATION	N/A
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

SUMMARY	<p>The following initiatives have been implemented or are in the process of being implemented by the Department:</p> <ol style="list-style-type: none"> 1. The Department combined Individuals with Disabilities Education Act Part C program payments by coordinating systems development (IDEA, Part C data system-BRIDGES and Medicaid billing system-MMIS) for the purpose of complying with federal coordination of benefits requirement. SCDHHS is also replacing the legacy case management system with a modern system designed to interoperate with other agency systems and providers. 2. The Department has teams dedicated to managing nursing home case escalations and provided temporary emergency relief to nursing homes to reimburse nursing facilities for the unanticipated costs incurred to protect residents and facility staff in response to coronavirus disease 2019 (COVID-19). 3. The Department sought and received approval to issue "temporary retainer payments" to certain home and community-based services (HCBS) providers in South Carolina during the COVID-19 public health emergency. 4. The Department sought an approval and received partial approval to receive additional federal match for HCBS services for one year through the American Rescue Plan Act with the additional match being invested back into the program to enhance or strengthen HCBS under the Medicaid program. 5. The Department is continuing to undergo rate reviews across the Medicaid program. This initiative is to modernize, consolidate, and rationalize fee schedules that will lessen the burden to providers. Phase I was implemented July 2019 for
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the professional service provider group and phase II was implemented July 2020 for vision, anesthesia, private duty nursing, and pediatric day care providers.

6. In response to the COVID-19 public health emergency, the Department granted the following temporary flexibilities:

- Extended telehealth services;
- Eliminated prior authorizations;
- Allowed more providers to provide services; and,
- Covered COVID-19 testing for the uninsured

Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?