

Agency Name:	Department Of Disabilities & Special Needs		
Agency Code:	J160	Section:	36



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 checked="" type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input 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:	Patrick Maley	(803) 898-9697	pmaley@ddsn.sc.gov
SECONDARY CONTACT:	Nancy Rumbaugh	(803) 898-9740	nrumbaugh@ddss.sc.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 Disabilities & Special Needs
Agency Code:	J160
Section:	36

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Enhance Intellectual Disability/Related Disabilities (ID/RD) Waiver Services and Update Service Rates	7,000,000	0	16,500,000	0	23,500,000	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	New Waiver Slots to Address the Waiting List	1,900,000	0	4,460,000	0	6,360,000	0.00	0.00	0.00	0.00	0.00
3	B1 - Recurring	Early Intervention (EI) Utilization Increase	618,000	0	1,418,044	0	2,036,044	0.00	0.00	0.00	0.00	0.00
4	B1 - Recurring	Appropriation Transfer to SCDHHS - Joint Decision to move to a direct Fee-for-Service (FFS) model	-172,000,000	0	0	0	-172,000,000	0.00	0.00	0.00	0.00	0.00
5	B1 - Recurring	Increase Access to Post-Acute Rehabilitation (PARI) Program for Traumatic Brain Injuries or Spinal Cord Injuries	466,000	0	0	0	466,000	0.00	0.00	0.00	0.00	0.00
6	B2 - Non-Recurring	Increase & Improve Access to Community Residential Supports for Regional Center Individuals	140,000	0	0	0	140,000	0.00	0.00	0.00	0.00	0.00
7	B2 - Non-Recurring	South Carolina Genomic Medicine Initiative at Greenwood Genetic Center	2,000,000	0	0	0	2,000,000	0.00	0.00	0.00	0.00	0.00
8	B1 - Recurring	Greenwood Genetic Center (GGC) Base Budget Increase	500,000	0	0	0	500,000	0.00	0.00	0.00	0.00	0.00
TOTALS			-159,376,000	0	22,378,044	0	-136,997,956	0.00	0.00	0.00	0.00	0.00

Agency Name:	Department Of Disabilities & Special Needs		
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FORM B1 – RECURRING OPERATING REQUEST

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

TITLE	Enhance Intellectual Disability/Related Disabilities (ID/RD) Waiver Services and Update Service Rates
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Provide a brief, descriptive title for this request.

AMOUNT	<p>General: \$7,000,000</p> <p>Federal: \$0</p> <p>Other: \$16,500,000</p> <p>Total: \$23,500,000</p>
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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 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>Goal 4: Efficiently & Effectively Operate the Service Delivery</p> <p>Strategy 4.1: Proactively Initiate System and Process Improvements</p> <p>Measure 4.1.7: Obtain legislative approval for a multi-year strategy for recurring funds to support ID/RD Waiver Renewal new costs</p> <p>This funding will improve the systems financial health to meet consumers habilitation, health, and safety needs and will be verified through annual cost reports.</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>DDSN's statewide network of local Disabilities & Special Needs Boards and private providers would receive these funds via DDSN's Fee-for-Service (FFS) payment system for residential, day services and other enhanced 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

**JUSTIFICATION OF
REQUEST**

The SC Department of Health and Human Services (SCDHHS) ID/RD Waiver is operated by DDSN. The ID/RD Waiver is up for renewal effective 1/1/22. As a result of the FY19 cost report, trend data, and independent rate analysis input from SCDHHS's consultant, SCDHHS calculated DDSN needs \$14 million in new state funds to enhance services and update service rates, which includes \$9.5 million related to daily Residential Habilitation rate updates. Of particular importance, the ID/RD Waiver Renewal is structured to create a pathway for DDSN to complete its payment system transition to fee-for-service (FFS) on 1/1/22. FFS would improve Medicaid matching efficiency, transparency, and delivery system productivity.

ID/RD Waiver improvements includes updating provider service rates; creates individual "tiered" residential settings; modernizes day services; establishes an "Independent Living Skill" service; adds In-Home support service; includes remote supports as part of Assistive Technology; creates the option for Respite services to be provided to multiple participants living in the same household; and increases the Environmental Modification lifetime cap from \$7500 to \$15,000.

The availability of COVID-19 federal funding can finance this unique waiver renewal opportunity for many years allowing time for DDSN and SCDHHS to arrange for long-term recurring funding. The FY23 increased cost of these enhanced ID/RD Waiver services and corresponding service rate increases is \$14 million state funds, which will generate an additional \$33 million in Medicaid match for a total for \$47 million in service dollars. DDSN requests a two-year legislative appropriation strategy to obtain the \$14 million state funds with an annual state fund request of \$7 million in state funds in FY23 and FY24.

DDSN currently has \$54 million of non-recurring COVID-19 dollars to cover the annual state fund cost for three years. As recurring funding is appropriated, DDSN can remit a substantial portion of these funds to the General Assembly.

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.

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FORM B1 – RECURRING OPERATING REQUEST

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

TITLE	New Waiver Slots to Address the Waiting List
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Provide a brief, descriptive title for this request.

AMOUNT	<p>General: \$1,900,000</p> <p>Federal: \$0</p> <p>Other: \$4,460,000</p> <p>Total: \$6,360,000</p>
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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 checked="" 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>Goal 4: Efficiently & Effectively Operate the Service Delivery System.</p> <p>Strategy 4.2: Agencywide Outcome Measures</p> <p>Measure 4.2.2: Average Time of Wait (in years) for Individuals Enrolled in the Intellectual Disability and Related Disabilities (ID/RD) Waiver</p> <p>Measure 4.2.4: Average Time of Wait (in years) for Individuals enrolled in the Head and Spinal Cord Injury (HASCI) Waiver</p> <p>This funding along with DDSN's new streamline enrollment process will decrease the time from application to services. In addition to moving the ID/RD and HASCI waiting list</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	The agency will contract with local disabilities and special needs boards and private providers to provide services for the individuals.
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FUNDS

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 waiver waiting lists are at an all-time high containing 14,456 individuals. Each waiver is at, or near, an all-time high in wait times: ID/RD (5.4 years); Community Supports (3.6 years); and HASCI (0.4 years). On July 1, 2021, DDSN reengineered its waiver waiting list to increase the speed of waiver enrollments to more efficiently implement new legislative appropriated waivers.

While operating under COVID-19 and Appendix K of the Centers for Medicare and Medicaid Services (CMS), the Agency is not allowed to remove any individuals enrolled in a waiver even though they may no longer need services. DDSN staff have identified up to 1,000 individuals falling under this unique situation. Due to the uncertain future of COVID-19 and utilizing our normal attrition rates, we expect the waiting list to slightly decrease. However, additional ID/RD and HASCI waiver slots are being requested to further reduce waiting times for services.

DDSN requests \$6.36 million (\$1.9 million state funds) to fund 300 ID/RD waiver slots (\$14,000 per waiver slots) and 60 HASCI waiver slots (\$36,000 per waiver slot).

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.

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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	Early Intervention (EI) Utilization Increase
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$618,000 Federal: \$0 Other: \$1,418,044 Total: \$2,036,044
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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 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>Goal 1: Prevent Disabilities and Ameliorate Impact of Disabilities</p> <p>Strategy 1.2: Reduce the severity of disabilities</p> <p>Measure 1.2.1: Percentage of Early Intervention utilizations is Medicaid reimbursable</p> <p>Evaluation will be measured in the increase in expected services based on provider service units billed. Additionally, DDSN will, to the extent possible, create conditions for consumers to obtain Medicaid eligibility to improve Federal reimbursement match.</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	The recipients of these funds will be DDSN's statewide network of local DSN Boards and private providers.
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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 SCDHHS's BabyNet Program continues to experience increases in consumers annually in need of developmentally delayed services (ages 0-3), which then directly correlates with an increase in consumers and utilization of DDSN EI services (ages 3-6). DDSN has absorbed the past four Fiscal Years increases in consumers and utilization from its base state funding, which were 18% (FY18; \$835,270), 30% (FY19; \$1,464,648), 8% (FY20, \$366,210) and 17% (FY21, \$776,544). DDSN anticipates a conservative 17% increase in FY22 utilization, (FY22, \$1,075,000 state funds). Along with the continuing pandemic, we do not anticipate any decrease of services.

However, DDSN staff are reviewing the EI ineligibles and has realized a 5% change from Non-Medicaid to Medicaid Eligible just within the 1st quarter of FY22. Once the changes are fully annualized, DDSN's increased need of state funds will be reduced by this effect, (\$457,000). Decreasing our request of State funds to \$618,000.

DDSN requests \$2,036,044 (\$618,000 state funds) to meet the FY23 increased EI utilization. DDSN estimates this funding could serve an additional 357 children. Absent an increase in funding, DDSN anticipates EI Program changes to reduce services to keep funding at the FY22 level.

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.

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FORM B1 – RECURRING OPERATING REQUEST

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

TITLE	Appropriation Transfer to SCDHHS - Joint Decision to move to a direct Fee-for-Service (FFS) model
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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 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 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>Goal 4: Efficiently & Effectively Operate the Service Delivery System.</p> <p>Strategy 4.1: Proactively initiate system and process improvements.</p> <p>Measure 4.1.4: Develop internal controls to monitor monthly SCDHHS state fund payment requests for direct billed services</p> <p>These funds will be applied as purposed and tracked via Medicaid billing data (W-99s).</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>These funds will be utilized by SCDHHS as state matching funds in support of three Home and Community-Based Service Waivers; Intellectual Disability/Related Disabilities, Community Supports, and the Head & Spinal Cord Injury 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?

**JUSTIFICATION OF
REQUEST**

In collaboration with SCDHHS, SCDDSN local providers will transition from a Prospective Payment of Services from SCDDSN to a direct payment FFS model at SCDHHS. This process change will record the cost of Medicaid Services listed under the Intellectual Disability/Related Disabilities, Community Supports, and the Head & Spinal Cord Injury Waivers at SCDHHS instead of SCDDSN. SCDDSN will still maintain accountability oversight of all three waivers. However, the portion of SCDDSN's State Appropriation being used for the State Match of these Medicaid services will need to be transferred to SCDHHS.

Both SCDHHS and SCDDSN have agreed to a transfer of \$172,000,000 state funds. This is a permanent transfer.

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.

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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	Increase Access to Post-Acute Rehabilitation (PARI) Program for Traumatic Brain Injuries or Spinal Cord Injuries
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$466,000 Federal: \$0 Other: \$0 Total: \$466,000
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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 checked="" 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>Goal 1: Prevent Disabilities and Ameliorate Impact of Disabilities</p> <p>Strategy 1.2: Reduce the severity of disabilities</p> <p>Measure 1.2.2: Number of individuals receiving post-acute rehabilitation services</p> <p>Evaluation will be to measure expected increase number of citizens using this service, as well as tracking their individual outcomes from rehabilitation medical records.</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	Specialized medical rehabilitation service providers qualified by DDSN will be the recipients. Funds will be allocated based upon predetermined eligibility criteria.
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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 most recent data (2017) indicates South Carolinians experience 2,235 spinal cord and traumatic brain injuries annually. The legislature has graciously funded the need of our under/uninsured consumers in the PARI Program. For best outcomes, specialized rehabilitation should begin as soon as possible following medical stabilization or discharge from acute care. Without appropriate rehabilitative treatment and therapies in the first weeks or months after injury, people are not able to achieve optimal neurological recovery and maximum functional improvement. Research shows these results in more substantial levels of permanent disability and limits the ability to work. As a consequence, there are greater needs for long-term care, and other health, mental health and social services. Lack of rehabilitation options causes extended acute care hospital stays following injury for many people. There are also higher rates of subsequent hospitalizations for people who do not receive rehabilitation.

In FY17, the legislature increased funding by \$500,000 from \$2.6 million to \$3.1 million, which DDSN fully used for services. In FY18, DDSN received no increased appropriations, but was able to revise its payment structure to allow additional individuals to be served with the same amount of funding. In FY19, the legislature increased funding by \$500,000 again from \$3.1 million to \$3.6 million, which exactly met the FY needs.

In FY21, the PARI Program costs exceeded its \$3.6 million legislative appropriation by \$466,000. To avoid denying applications for this necessary service, DDSN paid for the excess cost from its base funding and reserves. DDSN anticipates the PARI program costs will continue to increase based on criteria of need and historical pattern of increasing costs. As a result, DDSN requests \$466,000 in state funds.

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.

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	8
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Greenwood Genetic Center (GGC) Base Budget Increase
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$500,000 Federal: \$0 Other: \$0 Total: \$500,000
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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 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 checked="" 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 checked="" type="checkbox"/>	Related to a Non-Recurring request – If so, Priority # 7	

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>Goal 1: Prevent Disabilities and Ameliorate Impact of Disabilities</p> <p>Strategy 1.1: Reduce Birth Defects</p> <p>Measure 1.1.1: Annual Rate of NTD Births per 10K Live Births</p> <p>Measure 1.1.2: Annual Number of Children with Metabolic Disorders Receiving Curative Treatment</p> <p>This increase will provide Greenwood Genetic Center with the ability to provide metabolic disorders curative treatment, genetic services, and testing to uninsured and under-insured patients in SC.</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	The Greenwood Genetic Center (GGC) would receive these funds.
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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**

In FY21, DDSN contracts with GGC were restructured to properly account for Medicaid matching funds reimbursable to GGC based on its use of its state funds received through DDSN from the General Assembly (\$4,934,000). This resulted in a decrease in funding to GGC. As a result, GGC requests a \$500,000 increase in recurring base appropriations.

This request will assist GGC in providing metabolic disorders curative treatment, genetic services, and testing for uninsured and under-insured patients in SC.

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 Disabilities & Special Needs		
Agency Code:	J160	Section:	36

FORM B2 – NON-RECURRING OPERATING REQUEST

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

TITLE	Increase & Improve Access to Community Residential Supports for Regional Center Individuals
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Provide a brief, descriptive title for this request.

AMOUNT	\$140,000
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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.

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 type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
	<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations
<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding	
<input type="checkbox"/>	Related to a Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input checked="" 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 type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	Goal 2: Provide Services in Community Integrated and Least Restrictive Setting and Promote Individual Independence
	Strategy 2.2: Utilize Least Restrictive Residential Settings/Supports
	Measure 2.2.3: Develop a program to equalize Regional Centers staffing and census to generate improve service ratios with emphasis on increasing community placement as appropriate

Evaluation will be to ensure 16 beds are implemented and these new assets will de-populate current Regional Centers residents desiring community placement.

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 agency will contract with local disabilities and special needs boards and private providers to provide services for the individuals.
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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 Regional Center list of residents desiring community placement is updated quarterly and the Critical Needs Staff advocates for providers to accept placements; however, providers must voluntarily agree.

Available community beds to serve community based and Regional Center individuals comes from turnover of existing fully occupied beds which averages 180 annually (16 beds/month). Given the chronic staffing shortages at Regional Centers even before COVID-19 and the legal requirement of the Olmstead Act, DDSN requests residential expansion of four CTH II homes (16 beds) focused on de-populating centers. Because "money follows the person," DDSN is only asking for \$140,000 in non-recurring funds (\$35,000/house; \$25,000 Housing Trust Fund loan match & \$10,000 sprinkler cost).

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 Disabilities & Special Needs		
Agency Code:	J160	Section:	36

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	7
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	South Carolina Genomic Medicine Initiative at Greenwood Genetic Center
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Provide a brief, descriptive title for this request.

AMOUNT	\$2,000,000
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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.

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 type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
	<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations
<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding	
<input checked="" type="checkbox"/>	Related to a Recurring request – If so, Priority # Greenwood Genetic Center (GGC) Base Budget Increase	

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	This is a research and development investment to improve existing specialized genetic service levels. The number of infants and children requiring more extensive and expensive services will be reduced if prompt curative treatment is received. The use of genomic technologies will optimize primary prevention and treatment options for individuals with intellectual disabilities and families.
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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 Greenwood Genetic Center (GGC) would receive these funds.
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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 Greenwood Genetics Center (GGC) is embarking on a major genomic initiative that will have a transformative impact on the GGC, the state, and the provision of personalized medicine for South Carolinians. This South Carolina Genomic Medicine Initiative will combine clinical care, a "multi-omics" technological approach and big data/machine learning to create a powerful and unique resource serving patients, healthcare providers, and state agencies. This bold initiative is being pursued to significantly increase the diagnostic yield for individuals with intellectual disabilities and autism, with the ultimate goal of providing information necessary to provide personalized and precise medical treatment and management for patients with disabilities and autism. In addition, the data accumulated with this initiative will provide precise genomic information that will help develop and guide personalized public health policies.

The request of \$2,000,000 of new state funds for FY23, which would be the third annual \$2,000,000 investment in a projected five-year \$10 million state funded plan in conjunction with funds from the private sector. Anticipated partners include the private sector, a major university, and individual donors. It is the intention of the GGC to work with SCDHHS to pursue an administrative Medicaid match for this project to demonstrate the impact and value to the Centers for Medicare and Medicaid Services.

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

36.14

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

DDSN: Beaufort DSN Facility

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

II. Program & Services

*Identify the associated budget program(s) by name and budget section.***RELATED BUDGET REQUEST***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**

None

*Which other agencies would be affected by the recommended action? How?***SUMMARY & EXPLANATION**

Directs the Department of Disabilities and Special Needs to retain the full amount of proceeds from the sale of the local Disability and Special Needs Board of Beaufort County property. Funds retained must be used to purchase new property for the local Disability and Special Needs Board in Beaufort County.

DDSN closed on 1508 Old Shell Road, Port Royal on July 19, 2021. Net proceeds were transferred to Beaufort County Government on August 12, 2021.

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

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**

~~For Fiscal Year 2021-22, the Department of Disabilities and Special Needs is authorized to retain the full amount of proceeds from the sale of the local Disabilities and Special Needs Board of Beaufort County property. The funds retained from this sale must be used by the department to purchase a new property for the local Disabilities and Special Needs Board in Beaufort County that more appropriately meets the needs of the individuals served. Unexpended funds may be carried forward into the current fiscal year and used for the same purpose. The department must provide a status report to the Beaufort County Legislative Delegation by June 30, 2022, detailing the retention of any sale proceeds and/or the expenditures of those funds.~~

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

Agency Name:	Department Of Disabilities & Special Needs		
Agency Code:	J160	Section:	36

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	\$8,362,131
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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
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM / ACTIVITY IMPACT	<ol style="list-style-type: none"> 1. Central Office administrative reduction through staffing attrition and freezing of slots. 2. Analyze consultant contracts and reduce where possible without detrimentally impacting services to persons we serve. 3. Reduce state funded high-management residential placements. 4. Reduction of state funded family support/respite funding allocation to providers. 5. Reduces funding in all community program services and regional centers. 6. Reduce funding for Post-Acute Rehabilitation program reducing capacity to serve. 7. Revise outlier funding strategy to consider band and threshold variance funding. 8. Reduce or eliminate Early Intervention services to children reaching 5 years of age due to Department of Education involvement with this age group.
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What programs or activities are supported by the General Funds identified?

SUMMARY	<table border="1" style="width: 100%;"> <tr> <td>Administration – frozen FTE slots (8 FTEs)</td> <td style="text-align: right;">\$ 629,733</td> </tr> <tr> <td>Reduction in Consultant Contracts</td> <td style="text-align: right;">\$ 250,000</td> </tr> <tr> <td>Provider Network State Funds Reduction (1%)</td> <td style="text-align: right;">\$1,650,000</td> </tr> <tr> <td>State Funded Community Supports Slots (50)</td> <td style="text-align: right;">\$ 755,150</td> </tr> <tr> <td>Reduce State Funded High-management Residential Placements (4)</td> <td style="text-align: right;">\$ 688,295</td> </tr> <tr> <td>At Home Waiver Slots – State funds (100)</td> <td style="text-align: right;">\$ 407,000</td> </tr> <tr> <td>Non-Emergency Respite (100%)</td> <td style="text-align: right;">\$ 250,000</td> </tr> <tr> <td>Regional Center Cost Reduction Plan (1%)</td> <td style="text-align: right;">\$ 1,070,000</td> </tr> <tr> <td>Reduction in funding and services – Post –Acute Rehab (3%)</td> <td style="text-align: right;">\$108,000</td> </tr> <tr> <td>Outlier funding methodology change (threshold less band funding revision)</td> <td style="text-align: right;">\$1,100,000</td> </tr> <tr> <td>Eliminate State Funded Early Intervention services at age 5</td> <td style="text-align: right;">\$ 1,453,953</td> </tr> </table> <p>The Agency leadership team reviewed and considered all areas within its statewide system that could be reduced in whole or in part to meet the required 3% funding reduction desired. Items were grouped based on the impact and consequences of each action to be taken.</p> <ol style="list-style-type: none"> 1. Items that would not displace services from citizens or reduce funding to service providers were considered. Two of the items identified involve freezing services to citizens that would be otherwise be served through attrition. 2. Items that would reduce funding for existing services were considered. 3. Items that reduce or eliminate existing services or availability of services were considered. <p>We were unable to identify a single action that could be taken that</p>	Administration – frozen FTE slots (8 FTEs)	\$ 629,733	Reduction in Consultant Contracts	\$ 250,000	Provider Network State Funds Reduction (1%)	\$1,650,000	State Funded Community Supports Slots (50)	\$ 755,150	Reduce State Funded High-management Residential Placements (4)	\$ 688,295	At Home Waiver Slots – State funds (100)	\$ 407,000	Non-Emergency Respite (100%)	\$ 250,000	Regional Center Cost Reduction Plan (1%)	\$ 1,070,000	Reduction in funding and services – Post –Acute Rehab (3%)	\$108,000	Outlier funding methodology change (threshold less band funding revision)	\$1,100,000	Eliminate State Funded Early Intervention services at age 5	\$ 1,453,953
Administration – frozen FTE slots (8 FTEs)	\$ 629,733																						
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Outlier funding methodology change (threshold less band funding revision)	\$1,100,000																						
Eliminate State Funded Early Intervention services at age 5	\$ 1,453,953																						

would meet the reduction requirement without it resulting in significant service delivery impact. Items from the three groups listed above would be necessary to achieve the reduction amount. The Agency must ensure its continued ability to respond to citizens whose health and safety are in jeopardy. Also, continued compliance with regulations is required and thus limited options available.

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 Agency has focused and will continue to focus on contractual arrangements that are no longer considered necessary or could be completed in a more cost efficient manner. Numerous vendor and provider contracts have been phased out over the past fiscal year and others are under review at this time. There is a tremendous amount of energy being channeled into efforts to maximize Medicaid funding. As services move from state funded to Medicaid eligible funded, the Agency picks up a 70% increase in revenue. All personnel positions are being closely reviewed as they become vacant to determine if there is any opportunity to restructure or otherwise do without the position vs. just backfilling it with a new person. There has been a freeze on merit based pay increases. Pay increases are now based on substantial increases in job duties or tied to promotions.

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 Disabilities & Special Needs		
Agency Code:	J160	Section:	36

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	Increase Effectiveness in Using Medicaid Reimbursements
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	<div style="border: 1px solid black; padding: 5px;"> <p>\$ 8,700,000 – Establishing an Administrative Contract for 50% Matching</p> <p>\$ 2,249,153 – Restructured Greenwood Genetics Center Contracts</p> <p>\$ 2,900,000 – State-Funded Individuals Conversion to Waiver Enrollment Savings</p> <p><u>\$ 457,000</u> – Early Intervention Children Conversion to Medicaid Eligible</p> <p>\$14,306,153</p> </div>
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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	<p>Mark "X" for all that apply:</p> <table border="1"> <tr> <td style="background-color: #cccccc;"><input type="checkbox"/></td> <td>Repeal or revision of regulations.</td> </tr> <tr> <td style="background-color: #cccccc;"><input type="checkbox"/></td> <td>Reduction of agency fees or fines to businesses or citizens.</td> </tr> <tr> <td style="background-color: #cccccc;"><input checked="" type="checkbox"/></td> <td>Greater efficiency in agency services or reduction in compliance burden.</td> </tr> <tr> <td style="background-color: #cccccc;"><input 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 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 type="checkbox"/>	Other								

METHOD OF CALCULATION	<p>The \$8.7 million was recovery of 50% Medicaid match for overhead costs in FY21 through an Administrative Contract with SCDHHS, which DDSN had not benefitted from for many years due to having a large amount of excess Medicaid cost in the system that was not matchable.</p> <p>The \$2,249,153 was the difference in DDSN's state funded payments to Greenwood Genetics Center in FY20 (\$7,183,453) as compared to FY 21 (\$4,934,000).</p> <p>The \$2.9 million was the difference in the cost of state funding 45 residents in waiver residential settings without a Medicaid match as compared to those same 45 all becoming Medicaid eligible to generate a Medicaid reimbursement match (70%).</p> <p>The \$457,000 was the difference in cost of reducing state funded Early Intervention children by 5% without a Medicaid match as compared to this same 5% becoming Medicaid eligible to generate a Medicaid reimbursement match (70%).</p>
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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	None
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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	None
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

	<div style="border: 1px solid black; padding: 5px;"> <p>DDSN's four areas of cost saving by increasing its efficiency in using Medicaid reimbursements were:</p> <p>1) An analysis of DDSN's "split rate" methodology designed to generate funds to cover DDSN's overhead costs determined this process was ineffective. The aggregate impact of these split rates did not generate a surplus for DDSN's overhead. The net effect was it actually generated a net \$30 million/year DDSN deficit because DDSN's residential and day capitated service band payments to providers exceeded DDSN's Medicaid billing revenue from SCDHHS by a like amount. When all services and DDSN overhead costs were combined, DDSN had \$45-50</p> </div>
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SUMMARY

million in excess costs over its Medicaid billing revenues. As a result, DDSN did not receive a Medicaid match benefit (70% service reimbursable; 50% administrative reimbursable) on this excess costs. If properly Medicaid matched, this could have generated as much as \$25-30 million additional dollars.

The solution to address this inefficient Medicaid matching was two-fold. First, DDSN established an Administrative Contract with SCDHHS in FY21 to Medicaid match its administrative costs at 50%. This permitted DDSN to recover an \$8.7 million Medicaid matched reimbursement in FY21 on \$19.8 million in administrative (overhead) costs, which was not recoverable for many years due to DDSN's excessive Medicaid costs over Medicaid billable revenue. Secondly, the remaining excess cost in the system, estimated at \$25-30 million, will be addressed through the planned IDR Waiver Renewal increased service rates noted above with additional and substantial cost savings to be realized in FY22.

2) In FY21, DDSN contracts with Greenwood Genetics Center (GGC) were restructured to properly account for Medicaid matching funds reimbursable to GGC based on its state funds received through DDSN from the General Assembly (\$4,934,000). As a result, the FY20 \$7,183,453 DDSN state fund payments to GGC were reduced to \$4,934,000 in FY21, resulting in a \$2,249,153 cost savings.

3) Residential placements were reviewed for those fully state funded. Working with SCDHHS and the families being served, we were able to obtain Medicaid eligibility for 45 individuals reducing utilization of state dollars by 70%. The \$2.9 million is the result of moving 45 residential individuals from 100% state funded to enrollment within DDSN's Medicaid Waivers.

4) Medicaid ineligible Early Intervention children being served were reviewed leading to a 5% change from ineligible to Medicaid eligible. Annualization of this movement will reduce the utilization of state funds by an estimated \$457,000, thus allowing the Agency to reduce our priority #3 requested state dollars from \$1,075,000 to \$618,000.

Citizens were not impacted by the reduction/elimination of these arrangements.

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