

Earmark Disclosure Information

May 15, 2023

Sponsor: **Rep. Leon Howard**
Project: Children's Health SC
Amount: \$250,000
Recipient: Palmetto Project Inc.
Org. Type: 501(c)(3)
W-9 (Tax ID): 57-0807801
Contact: Shelli Quenga
Title: Chief Innovation Officer
Address: 6296 Rivers Avenue #100, North Charleston, SC 29406
Phone: 843-224-7875 (cell); 843-577-4122 (office)
Email: squenga@palmettoproject.org
Website: www.palmettoproject.org

1. **Activity.** Children's Health SC is a public-private partnership, created and administered by the Palmetto Project, to ensure that all children in the state have access to affordable and appropriate health care coverage, and that their parents understand the importance of medical homes and how they should be utilized to achieve good health outcomes and lower long-term costs of care to the Medicaid program.

Activities underwritten with state funds include outreach to parents of eligible children to encourage continuous enrollment that minimizes costly "churning" that happens when eligible children drop off the rolls and subsequently must reapply. This is costly, not only because of the additional administrative burden to the state, but the failure to seek care that leads to prolonged illnesses and missed days of school for the children and work for their parents.

The organization's trained family resource specialists educate parents on how to utilize the services of a medical home, especially preventative and primary services that result in long-term cost savings to the system. They help parents understand their alternatives to seeking the most expensive kinds of care when it is not warranted.

The organization utilizes a school-based approach to Medicaid enrollment that involves the signing of a memorandum of agreement with individual school districts who contact their parents and ask if their children are insured and, if not, whether they would like to be contacted by one of the Palmetto Project's navigators to explore options for coverage.

2. **Public purpose.** In her first State of the State address, Governor Haley urged the Legislature to encourage full enrollment of Medicaid-eligible children in South Carolina. Not only would this create healthier kids, it would also lower long-term costs to the system caused by preventable illnesses and sporadic coverage.

The Palmetto Project’s school-based approach is considered a national model by the US Department of Health & Human Services. Children’s Health SC was first funded with a grant from the department’s Connecting Kids to Coverage program.

3. FY 2024 Project Budget. Funds for the Children’s Health SC are provided by public and private sources. Funds provided through this request will underwrite only those activities deemed in the public interest as described above and none will be used to subsidize operating costs of the Palmetto Project.

Project Manager	1.0 FTE	48,000
Family Resource Specialists	2.5 FTE	105,000
Taxes, Insurance, fringe (26%)		39,780
Outreach materials		25,220
Admin (phone, computer, rent)		22,000
Mileage		10,000
		<hr/>
		250,000

4. Community support & need. The current ending of continuous Medicaid eligibility during the pandemic is a massive undertaking that, despite the State’s best efforts, is resulting in confusion among some enrollees who are being disenrolled from Medicaid for administrative reasons unrelated to their eligibility.

SCDHHS expects 300,000 current enrollees to lose coverage because they no longer meet the qualifications of the program. However, it also expects another 300,000 to lose coverage due to glitches in the application and renewal process, such as failure to receive timely notification for an annual review, failure to return documents, incomplete applications, and incorrect addresses. Most of those affected are likely to be children who are otherwise eligible for coverage. These glitches not only result in a lack of coverage for the enrollee, but an unnecessary appeal or reapplication that is very costly to Medicaid.

Activities undertaken by the Palmetto Project with these funds are complementary to those of SCDHHS and coordinated with local agency offices in ways that reduce backlogs and expedite processing. The Palmetto Project was open nearly continuously during the COVID pandemic with a full staff of resource specialists to assist with the surge of new applicants from families affected by layoffs and job losses.

5. Previous Funding. Over the past 15 years the state has intermittently provided funding for the Children’s Health initiative by way of line items in the state budget and Medicaid outreach funds. The funds are administered through contracts between the agency and the Palmetto Project that spell out specific outcomes measures consistent with the agency’s broader goals. The Palmetto Project provides regular reporting on its progress in achieving these goals to the SCDHHS during the year. The last time state funds were provided was in FY 2023. All funds provided to the organization are audited annually by an independent accounting firm.