

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

SECTION 3 - H71-WIL LOU GRAY OPPORTUNITY SCHOOL

- 3.9 CONFORM TO FUNDING** (Capacity) **WMC:** ADD new proviso to direct the Wil Lou Gray Opportunity School to use their funds to bring the school up to full capacity and to report electronically by December 1st to the Chairmen of the Senate Finance and House Ways and Means Committees on how the funds have been used and how many additional students have been served.
HOU: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

3.9. (WLG: Capacity) For Fiscal Year 2011-12, funds appropriated to Wil Lou Gray Opportunity School must be used to bring the school up to full capacity and the school must report electronically to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by December 1st, on how the funds have been utilized and how many additional students have been served.

SECTION 4 - H75-SCHOOL FOR THE DEAF AND THE BLIND

- 4.11 AMEND** (Sale of Property) Authorizes the school, after receiving B&C Board approval to sell property, to retain revenues associated with the sale of property titled to or used by the school. Directs that these funds be spent on capital improvements approved by JBRC and the B&C Board. Authorizes the school, for FY 10-11, to use revenue retained from the sale of donated property for educational and other operating purposes.
WMC: AMEND "Fiscal Year 2010-11" to "the current fiscal year." Fiscal Impact: No impact on the General Fund. Requested by
HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

4.11. (SDB: Sale of Property) After receiving approval from the Budget and Control Board for the sale of property, the school may retain revenues associated with the sale of property titled to or utilized by the school. These funds shall be expended on capital improvements approved by the Joint Bond Review Committee and the Budget and Control Board. For ~~Fiscal Year 2010-11~~ the current fiscal year, the school is authorized to use the retained revenue from the sale of donated property for educational and other operating purposes.

- 4.14 CONFORM TO FUNDING** (Capacity) **WMC:** ADD new proviso to direct the School for the Deaf and the Blind to use their funds to bring the school up to full capacity and to report electronically by December 1st to the Chairmen of the Senate Finance and House Ways and Means Committees on how the funds have been used and how many additional students have been served.
HOU: ADOPT new proviso.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

4.14. (SDB: Capacity) For Fiscal Year 2011-12, funds appropriated to the School for the Deaf and the Blind must be used to bring the school up to full capacity and the school must report electronically to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by December 1st, on how the funds have been utilized and how many additional students have been served.

SECTION 5 - L12-JOHN DE LA HOWE SCHOOL

- 5.4 CONFORM TO FUNDING** (Capacity) **WMC:** ADD new proviso to direct the John de la Howe School to use their funds to bring the school up to full capacity and to report electronically by December 1st to the Chairmen of the Senate Finance and House Ways and Means Committees on how the funds have been used and how many additional students have been served.

HOU: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

5.4. (JDLHS: Capacity) For Fiscal Year 2011-12, funds appropriated to John de la Howe School must be used to bring the school up to full capacity and the school must report electronically to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by December 1st, on how the funds have been utilized and how many additional students have been served.

SECTION 15 - H45-UNIVERSITY OF SOUTH CAROLINA

- 15.cam ADD** (Child Abuse Medical Response Program) **PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to establish the minimum level of funding for the Medical Response Program and prohibit USC from reducing the funds by more than a proportional amount of any mid-year or base reductions. Fiscal Impact: No impact on the General Fund. Recurring funding of \$800,000 was transferred from DHHS to the USC School of Medicine in FY 09-10 for the operation of the program. The original funding amount has been reduced by 25% to account for base reductions assessed to USC.

15.cam. (USC: Child Abuse Medical Response Program) Of the funds appropriated to the University of South Carolina School of Medicine, not less than \$600,000 shall be expended for the Child Abuse and Neglect Medical Response Program. In addition, when instructed by the Budget and Control Board or the General Assembly to reduce funds by a certain percentage, the university may not reduce the funds for the Child Abuse and Neglect Medical Response Program greater than such stipulated percentage.

SECTION 21 - J02-DEPARTMENT OF HEALTH AND HUMAN SERVICES

- 21.3 AMEND** (Medical Assistance Audit Program Remittance) Requires the department to remit to the general fund an amount that represents 50% of the cost of the Medical Assistance Audit

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

Program as established in the State Auditor's Office. Directs that the amount also include appropriated salary adjustments and fringe benefits that are allocable to the program. Directs that the remittance be made monthly and be based on invoices the State Auditor provides.

WMC: AMEND proviso to direct that the funds be remitted to the State Auditor's Office rather than to the general fund. Requested by Department of Health and Human Services.

HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

21.3. (DHHS: Medical Assistance Audit Program Remittance) The Department of Health and Human Services shall remit to the ~~general fund~~ State Auditor's Office an amount representing fifty percent (allowable Federal Financial Participation) of the cost of the Medical Assistance Audit Program as established in the State Auditor's Office of the Budget and Control Board Section 80B. Such amount shall also include appropriated salary adjustments and employer contributions allocable to the Medical Assistance Audit Program. Such remittance to the ~~general fund~~ State Auditor's Office shall be made monthly and based on invoices as provided by the State Auditor's Office of the Budget and Control Board.

- 21.9 DELETE** (Community Residential Care Optional State Supplementation) Directs that if the federal government grants a cost of living increase to Social Security and Supplemental Social Security Income recipients, the increase to Personal Needs Allowance for residents of community residential facilities will be effective in January. Directs the department to increase the residential care payment by the amount of the cost of living increase less \$2 per recipient for a Personal Needs Allowance increase. Authorizes the department to maximize a portion of the OSS funds to implement the Integrated Personal Care program for eligible residents of community residential care facilities that receive OSS payments.

WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

21.9. (DHHS: Community Residential Care Optional State Supplementation) ~~The increase to Personal Needs Allowance for residents of community residential care facilities, if the federal government grants a cost of living increase to Social Security and Supplemental Security Income recipients, will be effective in January. The department will increase the residential care payment by the amount of the cost of living increase minus \$2.00 per recipient for an increase in the Personal Needs Allowance. This increase to the Personal Needs Allowance applies to all OSS recipients regardless of whether they receive Social Security and/or Supplemental Security Income. The maximum amount of payment a facility can charge will be increased by the same amount as the cost of living increase, less \$2.00. The department is authorized to maximize a portion of the OSS funds to implement the Integrated Personal Care program for eligible residents of community residential care facilities that receive OSS payments.~~

- 21.15 DELETE** (Prescription Reimbursement Payment Methodology) Directs that the prescription dispensing fee is at least \$4.05 per prescription filled and requires that prescription

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

reimbursements must be the lowest of the federal upper limit of payment or South Carolina maximum allowable cost for the drug, if any, less 10% plus the current dispensing fee; the Wholesale Acquisition Cost plus 12.5%; or the provider's usual and customary charge to the general public for the product. Authorizes the department to adjust the dispensing fee to offset any negative change in the federal reimbursement methodology. Requires the department to submit a report on any changes in the federal methodology and the impact on the state prescription reimbursement payment by October 31, 2010.

WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~21.15. (DHHS: Prescription Reimbursement Payment Methodology) The prescription dispensing fee for the current fiscal year is not less than \$4.05 per prescription filled. Prescription reimbursements must be the lowest of: the federal upper limit of payment or South Carolina maximum allowable cost (MAC) for the drug, if any, less 10% plus the current dispensing fee; the Wholesale Acquisition Cost (WAC) plus 12.5%, or the provider's usual and customary charge to the general public for the dispensed product. By October 31, 2010, the Department of Health and Human Services shall submit a state plan amendment to the Centers for Medicare and Medicaid Services (CMS) requesting approval for the reimbursement rate referenced above. The Department shall submit a copy of the CMS State Plan Amendment to the Chairmen of the House Ways and Means Committee and the Senate Finance Committee.~~

~~During the CMS review process or if the CMS denies the aforementioned state plan amendment; prescription reimbursements must be the lowest of: the federal upper limit of payment or South Carolina maximum allowable cost (MAC) for the drug, if any, less 10% plus the current dispensing fee; the Average Wholesale Price (AWP) minus 10%, or the provider's usual and customary charge to the general public for the dispensed product.~~

~~The Department of Health and Human Services shall adjust the dispensing fee as necessary to offset any negative change in the federal reimbursement methodology from the prior fiscal year. The department shall submit a report by January thirty first, of the current fiscal year to the Chairmen of the House Ways and Means Committee and the Senate Finance Committee summarizing any changes in the federal reimbursement methodology and the impact of the changes on the state prescription reimbursement payment.~~

21.17 DELETE (Medicaid Monthly Maintenance Needs Allowance) Direct the department to conform the State Medicaid Monthly Maintenance Needs Allowance to the most current maximum amounts authorized by the Federal Government, phased in 5 years. Authorize the department to use their appropriated general funds to implement this provision.

WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~21.17. (DHHS: Medicaid Monthly Maintenance Needs Allowance) The Department of Health and Human Services, phased in ratably over five years, shall conform South Carolina's~~

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

~~State Medicaid Monthly Maintenance Needs Allowance to the most current maximum amounts authorized by the Federal Government. The department may utilize, to the extent necessary, general funds appropriated to the agency in Part IA of this act to implement the provisions of this paragraph.~~

- 21.20** **DELETE** (Prior Authorization Exemptions) Requires the department to spend pharmaceutical services funds without prior authorization on medications prescribed to treat major depression, schizophrenia, bipolar disorder, HIV/acquired immune deficiency syndrome, or oncology related pharmaceuticals. Allows the department to implement operational procedures necessary to insure appropriate use and to prevent non-FDA approved use of the medications.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.
HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**21.20.** (DHHS: Prior Authorization Exemptions) The Department of Health and Human Services must expend funds appropriated for pharmaceutical services without prior authorization on medications prescribed to treat major depression, schizophrenia, or bipolar disorder as defined by the most recent edition of the Diagnostics and Statistical Manual of the American Psychiatric Association or following prescribing practice guidelines established by the American Psychiatric Association, or HIV/acquired immune deficiency syndrome, or oncology related pharmaceuticals. Operational procedures necessary to insure the appropriate use and prevent the non-FDA approved use of these medications will be allowed.~~

- 21.22** **DELETE** (Prevention Partnership Grants) Requires the department to use prevention grant funds to implement a Prevention Partnership Grants Program. Directs that \$1,000,000 of these funds be allocated to DHEC for HIV Prevention. Provides for the grant process and directs that the department function as a clearinghouse for all of the state's prevention and healthy lifestyle activities identified in agency activity inventories in order to prevent duplication. Directs the department develop an interagency state prevention and healthy living plan and present the plan to the Governor and Chairmen of the Senate Finance, House Ways and Means, Senate Medical Affairs, and House Medical, Military, Public and Municipal Affairs Committees annually by Sept. 30th.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.
HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**21.22.** (DHHS: Prevention Partnership Grants) The Department of Health and Human Services must implement a Prevention Partnership Grants Program with funds appropriated herein for prevention grants. Of these funds \$1,000,000 shall be allocated to the Department of Health and Environmental Control for HIV Prevention. Grants must be awarded through a competitive process to government agencies, private foundations and businesses, and/or non-profit organizations that operate preventive health programs with documented outcomes. To prevent duplication, the department must also function as a clearinghouse for all of the state's~~

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

~~prevention and healthy lifestyle activities identified in the activity inventories agencies submitted to the State Budget Office. Information provided to the department for the clearinghouse must include, at a minimum, details on expenditures, administrative costs, recipients, and outcomes. The department will use this clearinghouse to identify gaps and overlaps in the state's prevention and healthy lifestyle efforts, and then develop and present to the Governor and Chairmen of the Senate Finance, House Ways and Means, Senate Medical Affairs, and House Medical, Military, Public and Municipal Affairs Committees an interagency state prevention and healthy living plan, including guidelines for administration and distribution of prevention partnership grants, annually by September 30th. All state agencies, whether specifically identified in this section or not, must provide information upon the department's request.~~

- 21.23 DELETE** (Federally Qualified Health Centers-Pharmacies) Suspends federally qualified health centers from the provisions of Chapter 43 of Title 40 [PROFESSIONS AND OCCUPATIONS-PHARMACIST] that would require: (1) all facilities distributing or dispensing prescription drugs to be permitted by the Board of Pharmacy; (2) each pharmacy to have a pharmacist-in-charge; (3) a pharmacist-in-charge to be physically present; and (4) to limit a pharmacist to serve as a pharmacist-in-charge at only one pharmacy at a time. Directs that a federally qualified health center must be covered under Section 40-43-60(I) [COMPLIMENTARY DRUG SAMPLE] allowing licensed practitioners defined by Section 40-43-30(45) [DEFINITION OF PRACTITIONER] to dispense drugs or devices that are the property of the practitioner or corporation. Allows a federally qualified health center to transport medications in the same manner as allowed for free clinics and/or private physician practices.

WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso. *Proviso has been codified in Section 40-43-70.*

21.23. (DHHS: Federally Qualified Health Centers-Pharmacies) ~~-(A) Federally qualified health centers are suspended from provisions of Chapter 43, Title 40 of the 1976 Code that require:~~

- ~~(1) all facilities distributing or dispensing prescription drugs to be permitted by the Board of Pharmacy;~~
- ~~(2) each pharmacy to have a pharmacist in charge;~~
- ~~(3) a pharmacist to be physically present in the pharmacy or health center delivery site in order to serve as the pharmacist in charge;~~
- ~~(4) a pharmacist to serve as a pharmacist in charge for only one pharmacy at a time.~~

~~(B) A federally qualified health center must be recognized as a covered entity under Section 40-43-60(I) of the 1976 Code allowing licensed practitioners, as defined by Section 40-43-30(45), to dispense drugs or devices that are the lawful property of the practitioner or the corporation.~~

~~(C) A federally qualified health center may transport medications in the same manner as allowed by laws for free clinics and/or private physician practices.~~

- 21.24 DELETE** (High Management Group Home Psychiatric Residential Treatment Facility) Authorizes an existing facility currently licensed by DSS who is enrolled with the Medicaid agency as a High Management Group Home provider to elect to be enrolled with the Medicaid

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

agency and licensed by DHEC as a Psychiatric Residential Treatment Facility if the facility meets specific criteria. Allows the facility to request and be granted a Certificate of Need exemption from DHEC for up to the number of beds existing as of 1/1/07 and requires the request be submitted to DHEC before 1/1/08. Directs that if the current High Management Group Home facility cannot meet licensing standards or obtain an exemption or waiver from DHEC it may move and rebuild within the adjacent 20 miles, up to the number of beds existing at the facility on 1/1/07 and obtain the same exemptions. Directs that facilities that seek to increase the existing number of beds beyond those held on 1/1/07 or relocate outside the 20 mile radius will be subject to all CON and licensing requirements. Directs that High Management Group Homes that do not elect to operate as a Psychiatric Treatment Facility may continue to receive non-Medicaid state and federal funds only, except as allowed under an authorized transition plan.

WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

21.24. (DHHS: High Management Group Homes/Psychiatric Residential Treatment Facility) ~~An existing facility currently licensed by the South Carolina Department of Social Services and enrolled with the Medicaid agency as a High Management Group Home provider may elect to be enrolled with the Medicaid agency as a Psychiatric Residential Treatment Facility and licensed by the Department of Health and Environmental Control as a Residential Treatment Facility provided the facility meets the following criteria:~~

~~(1) Department of Health and Environmental Control licensing standards outlined in Regulation 61-103 regarding Residential Treatment Facilities;~~

~~(2) State and federal laws, regulations, and policies regarding participation as a Psychiatric Residential Treatment Facility.~~

~~A High Management Group Home facility may request and be granted a Certificate of Need exemption from the Department of Health and Environmental Control for up to the number of beds existing as of January 1, 2007. Any such request must be submitted to DHEC prior to January 1, 2008. If the current High Management Group Home facility cannot meet licensing standards or obtain an exemption or waiver from licensing standards of the Department of Health and Environmental Control, the High Management Facility, licensed by the Department of Social Services and enrolled with the Medicaid agency as a High Management Group Home, may move and rebuild within the adjacent twenty miles up to the number of beds existing at the facility on January 1, 2007 and obtain the same exemptions. Facilities seeking to increase the existing number of beds beyond those held on January 1, 2007, or relocate outside of the 20 mile radius will be subject to all CON and licensing requirements.~~

~~High Management Group Homes not electing to operate as a Psychiatric Residential Treatment Facility may continue to receive non-Medicaid state and federal funds only, except as allowed under a transition plan authorized by the Medicaid agency.~~

21.25 **DELETE** (State Children's Health Insurance Program) Directs the department to establish a separate, stand-alone plan under the authority of the State Children's Health Insurance Program (SCHIP) to expand eligibility for children up to 200% of the prevailing federal poverty level. Directs that all other Medicaid eligibility criteria shall apply and that for these purposes a

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

“child” is considered to be under 19 years of age. Directs that the plan operate as a combination program complementing existing Medicaid and Medicaid SCHIP expansion programs. Directs that program implementation is contingent on availability of Federal funding. Authorizes the department to limit the number of enrollees, close enrollment, or establish a waiting list as necessary in order to not exceed available state appropriations. Prohibits any cost sharing requirement. Directs the department to convert the stand-alone plan to the standard SCHIP Medicaid program using the same income limits if a cost savings can be demonstrated without a reduction of services.

WMC: DELETE proviso. *Department has merged both SCHIP plans into one plan.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

21.25. (DHHS: State Children’s Health Insurance Program) ~~The Department of Health and Human Services shall establish a separate, stand-alone plan under the authority of the State Children’s Health Insurance Program (SCHIP) for the purpose of expanding eligibility for children up to two hundred percent (200%) of the prevailing federal poverty level. All other Medicaid eligibility criteria shall apply. For these purposes, a child is considered to be an individual under the age of nineteen. This plan shall operate as a combination program complementing existing Medicaid and Medicaid SCHIP expansion programs. The program shall be modeled on private insurance and the benefits package must be substantially equal to the benefits provided by: (1) Federal Employee Health Benefits Program Standard Option; or, (2) a plan offered to state employees; or, (3) a plan offered by an HMO with the largest commercial enrollment in the state; or, (4) a plan approved by the Secretary of the Federal Department of Health & Human Services. The private benefit plan must include dental and visual benefits substantially equal to those benefits currently offered to existing beneficiaries under the Medicaid program. Implementation of this program is contingent upon the availability of Federal funding appropriated for this purpose. The department shall be authorized to limit the number of enrollees, close enrollment, or establish a waiting list as necessary so as not to exceed available state appropriations. No cost sharing provision shall be applied. The department is directed to convert the stand-alone plan to the standard SCHIP Medicaid program using the same income limits if the department demonstrates a cost savings without a reduction of the services offered.~~

21.28 REINSERT/AMEND (Nursing Services to High Risk/High Tech Children) Directs the department to establish a separate class and comp plan for Registered and Licensed Practical Nurses who provide services to Medically Fragile Children who are Ventilator dependent, Respirator dependent, Intubated, or Parenteral feeding dependent. Requires the plan recognize the skill level needed for caring for Medically Fragile Children. Directs the department to use funds that would have been spent on admitting these children to Hospital Pediatric Intensive Care Units due to the lack of in-home nursing services. Directs the department to provide a \$3 hourly rate adjustment to RNs and LPNs who provide specialized and technical care to children defined as High Risk/High Tech.

WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso and amend to direct the department to “continue” a separate class and comp plan rather than to “establish” one. Maintain the deletion of the requirement that the department use funds that would have been spent on admitting these children to Hospital Pediatric Intensive Care Units due to the lack of in-home nursing services and the requirement that the department provide a \$3 hourly rate adjustment to RNs and LPNs who provide specialized and technical care to children defined as High Risk/High Tech.

21.28. (DHHS: Nursing Services to High Risk/High Tech Children) The Department of Health and Human Services shall ~~establish~~ continue a separate classification and compensation plan for Registered Nurses (RN) and Licensed Practical Nurses (LPN) who provide services to Medically Fragile Children, who are Ventilator dependent, Respirator dependent, Intubated, and Parenteral feeding or any combination of the above. The classification plan shall recognize the skill level that these nurses caring for these Medically Fragile Children must have over and above normal home-care or school-based nurses.

~~The department shall utilize funds that would have been spent for these children being admitted to Hospital Pediatric Intensive Care Units due to the lack of in-home nursing care services. The department shall provide an hourly rate adjustment of \$3.00 per hour to both the RN rate and LPN rate who provide specialized and technical medical care to those children who are defined as High Risk/High Tech.~~

- 21.31** **DELETE** (Offset Budget Reduction) Authorizes the department to use excess SCHIP stand-alone funds carried forward from the prior year to offset budget reductions. Requires the department to enroll any child into the program if they qualify during FY 10-11.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *The stand-alone program has been merged with the regular SCHIP program and there are no excess funds. The proviso is obsolete.*

21.31. (DHHS: Offset Budget Reduction) ~~In the event of a base budget reduction assessed by the Budget and Control Board or the General Assembly, the Department of Health and Human Services is authorized to utilize Program II, A. 3. Z. Case Services/Public Assistance funds carried forward from the prior fiscal year into the current fiscal year as well funds appropriated for the same purpose in Fiscal Year 2010-11 that are in excess of program requirements in order to offset Fiscal Year 2010-11 base budget reductions. The department shall be required to enroll into the program any child who qualifies during Fiscal Year 2010-11.~~

- 21.34** **DELETE** (MUSC Medicaid Services Reimbursement) Requires the department to reimburse MUSC 100% of costs on all Medicaid hospital services they render.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.
HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

21.34. (DHHS: MUSC Medicaid Services Reimbursement) ~~The Department of Health and Human Services must reimburse the Medical University of South Carolina for costs on all Medicaid hospital services rendered as specified in the Medicaid State Plan.~~

- 21.36** **AMEND** (Carry Forward) Authorizes the department to carry forward prior year cash balances for any earmarked or restricted trust, agency, or special revenue account or subfund. Requires all revenue deposited into the Restricted Medicaid Expansion Fund be spent in the year it is received. Requires the department submit a comprehensive reporting of all cash balances brought forward from the prior fiscal year to the President Pro Tempore of the Senate, Speaker of the House, and Chairmen of the Senate Finance and Ways and Means Committees, within 15 days after the Comptroller General closes books on the fiscal year.
WMC: AMEND proviso to delete the requirement that revenue deposited into the Restricted Medicaid Expansion Fund be spent in the year it is received. *Provide for use of funds received during the last fiscal month.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.
HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

21.36. (DHHS: Carry Forward) The Department of Health and Human Services is authorized to carry forward cash balances from the prior fiscal year into the current fiscal year for any earmarked or restricted trust and agency, or special revenue account or subfund. ~~All revenue deposited into the Restricted Medicaid Expansion Fund must be expended in the year the revenue is received.~~ The department shall submit a comprehensive reporting of all cash balances brought forward from the prior fiscal year. The report shall, at a minimum, for each account or subfund include the following: the statutory authority that allows the funds to be carried forward, the maximum authorized amount that can be carried forward, the general purpose or need for the carry forward, the specific source(s) of funding or revenue that generated the carry forward, and a detailed description of any pending obligations against the carry forward. The report must be submitted to the President Pro Tempore of the Senate, Chairman of the Senate Finance Committee, Speaker of the House of Representatives, and Chairman of the House Ways and Means Committee, within fifteen (15) days after the Comptroller General closes the fiscal year.

- 21.38** **DELETE** (ARRA County Matching Funds Adjustment) Authorizes the department to make quarterly reductions or refunds to county matching funds assessed for indigent medical care as necessary to comply with Section 5001(g)(2) [FMAP] of ARRA.
WMC: DELETE proviso. *ARRA funds are no longer available.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.
HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

21.38. (DHHS: ARRA County Matching Funds Adjustment) ~~From the county assessments for indigent medical care, the department is authorized to reduce and/or refund to the respective counties on a quarterly basis, such amounts as may be necessary to comply with Section 5001(g)(2) of the American Recovery and Reinvestment Act of 2009.~~

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

- 21.39 DELETE** (Smart Card USB Token Pilot Study) Authorizes a pilot study to be conducted if any Medicaid Health Care provider determines to test a smart card or USB token which meets HIPAA and UETA standards and contains encrypted portable health information, if all federal and state mandates are satisfied and no medical services are denied if the card does not function properly or if it is not provided in an exigent situation. Directs that the study must be at no cost to the State or the department. Requires the department cooperate with the provider to facilitate a pilot so long as all direct and reasonable indirect costs are paid for, if the department incurs such costs.

WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**21.39.** (DHHS: Smart Card/USB Token Pilot Study) At no cost to the State of South Carolina or the Department of Health and Human Services, if any provider for Health Care under Medicaid determines to test a smart card or USB token which meets HIPAA and UETA standards and contains encrypted portable health information, such a pilot study may be conducted so long as all federal and state mandates are satisfied and so long as no medical services are denied if the card does not function properly at the provider site of service or if the card is not provided in an exigent situation. The department must cooperate with the provider in facilitating such a pilot so long as all direct and reasonable indirect costs are paid for, if such costs are incurred by the department.~~

- 21.40 AMEND** (Community Health Plans) Directs the department to oversee all community health plans approved to operate as a pilot program for the purpose of providing health care and requires oversight include review and approval of the community health plan's financial and business plan. Directs that only plans receiving approval from the department and the Chairmen of the Senate Finance and House Ways and Means Committees before January 1, 2009 be authorized to operate as an approved community health plan under this provision. Requires the department to submit a report by 1/1/10 to specific General Assembly Committees that includes legislative recommendations, an overview and listing of approved community health plans, and individual reports prepared by each approved community health plan providing an analysis of the financial status of the program, data on the enrollees and participating health care providers, a description of services utilized, and other information as requested by the department or committees.

WMC: AMEND proviso delete the report submission requirement. *Report has been submitted.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.

HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

21.40. (DHHS: Community Health Plans) The Department of Health and Human Services shall oversee all community health plans approved to operate as a pilot program for the purpose of providing health care. Such oversight shall include the review and approval of the financial and business plan of the community health plan. Only those plans receiving

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

approval from the department, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee prior to January 1, 2009 shall be authorized to operate as an approved community health plan pursuant to this provision. The department shall approve participation requirements of community health plans. An approved community health plan acting in accordance with these provisions shall not be considered as providing insurance or an unauthorized insurer. ~~The department shall submit a report no later than January 1, 2011, to the Chairmen of the Senate Finance Committee; House Ways and Means Committee; Senate Medical Affairs Committee; House Medical, Military, Public and Municipal Affairs Committee; Senate Banking and Insurance Committee; and House Labor, Commerce and Industry Committee. The report shall include legislative recommendations, an overview of approved community health plans, a listing of all approved community health plans, and individual reports to be prepared by each approved community health plan providing an analysis of the financial status of the program, data on the enrollees and participating health care providers, a description of enrollee services utilized, and other information as requested by the department or committees.~~

- 21.41** **DELETE** (ARRA State Match Carry Forward) Authorizes the department to carry forward unobligated state match funds resulting from additional payment received from the increased FMAP provided by the ARRA of 2009.

WMC: DELETE proviso. *ARRA funds are no longer available.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

21.41. (DHHS: ARRA State Match Carry Forward) ~~The Department of Health and Human Services is authorized to carry forward from the prior fiscal year into the current fiscal year any unobligated state match funds resulting from additional payments received from the increased Federal Medical Assistance Percentage provided by the American Recovery and Reinvestment Act of 2009.~~

- 21.43** **AMEND** (GAPS) Suspends, for FY 2010-11, the requirements of Sections 44-6-610-660 [GAP ASSISTANCE PHARMACY PROGRAM FOR SENIORS ACT].

WMC: AMEND proviso to change Fiscal Year “2010-211” to “2011-12.” Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.

HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

21.43. (DHHS: GAPS) The requirements of Title 44, Chapter 6-610 through Chapter 6-660 shall be suspended for Fiscal Year ~~2010-11~~ 2011-12.

- 21.45** **DELETE** (Medicaid Pooling Initiative) Directs the department’s Medicaid Pharmacy and Therapeutics Committee to conduct a cost benefit analysis of the National Medicaid Pooling Initiative and the state’s participation in the initiative. Directs that the analysis include a review of all other Centers for Medicare and Medicaid Services approved multi-state Medicaid drug purchasing pools in order to compare the initiative to other available plans to identify the

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

initiative that provides the maximum savings for the state. Directs that a report be provided to the Chairmen of the Senate Finance and House Ways and Means Committee by January 14, 2011.

WMC: DELETE proviso. *Report has been submitted.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**21.45.** (DHHS: Medicaid Pooling Initiative) The Department of Health and Human Services' Medicaid Pharmacy and Therapeutics Committee shall conduct a cost-benefit analysis of the National Medicaid Pooling Initiative (NMPI) and the state's participation in the NMPI. The analysis shall include a review of all other multi-state Medicaid drug purchasing pools that have been approved by the Centers for Medicare and Medicaid Services to compare the NMPI to other available plans to identify the initiative that provides the greatest opportunity to achieve maximum savings for the state. The department shall provide a report on the results of the analysis to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee no later than January 14, 2011.~~

21.46 AMEND NEW PROVISO FURTHER (In-Home Health Care Systems for Medicaid Recipients) **WMC:** ADD new proviso to direct the department, during FY 11-12, to pilot test an in-home health care system in up to five counties that had highest incidence of emergency room use during FY 09-10 by Medicaid recipients, including seniors and children covered by Medicaid or SCHIP. Direct that the program provide a state-of-the-art in-home health care system which provides around the clock access to medical assessment care and provides an emergency response function that gives a Medicaid recipient the ability to contact a national emergency response center. Direct that the purpose of the program is to reduce the number of emergency room visits in nonemergency cases and the amount of visits to other medical care facilities. Medicaid recipients selected by the department to participate in this program are required to participate as a condition of receiving these benefits. Direct that in developing the pilot-testing program, seniors over 65, pregnant women in their third trimester, and parents with infants under six months of age shall be given priority. Provide guidelines for required components of the in-home health care system. Require the pilot-testing program be conducted for a period of 3 fiscal years beginning with 2011-12 and, then be converted by the department into a statewide program within the funds made available for this purpose. Authorize the department to take actions as may be required, including making requests for Medicaid waivers when necessary to develop and administer the program. Authorize the department to contract with a third-party provider or vendor to furnish and operate the program. Fiscal Impact: OSB states that the department indicates implementation would result in total recurring costs of \$182,021,054. Total costs to the General Fund of \$54,533,508 and Federal Funds of \$127,487,546, considering a 29.96%/70.04% State-Federal matching rate. The department states it is unable to estimate any potential cost savings to other programs as a result of diverting recipients to in-home health Care. Requested by Department of Health and Human Services.

HOU: AMEND new proviso to limit the amount of funds to be used for the pilot test to \$3,000,000 in the aggregate. Direct that the pilot test must include a statistically valid sample of Medicaid patients within the counties as determined by the Department of Health and Human Services Director rather than listing the type of recipients to be included. Require an on

SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12

call physician be a "South Carolina licensed" physician. Direct that the pilot testing program be for the "current fiscal year" rather than for "three fiscal years." Sponsor: Rep. Atwater.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to delete the pilot testing requirement involving a minimum of 5 counties and instead direct the department to conduct a feasibility study of using in-home health care monitoring systems and either provide the study to the General Assembly by December 1, 2011 or implement a one county pilot project to test the system. Limit the amount of funds the department may use for the pilot project to \$500,000 and require matching funds be received from the entity with whom the departments contracts before agency funds may be expended.

21.46. (DHHS: In-Home Health Care Systems for Medicaid Recipients) The Department of Health and Human Services, during Fiscal Year 2011-12, ~~within the funds appropriated or made available by the General Assembly or within federal Medicaid funds made available for this purpose, but not to exceed three million dollars in the aggregate, upon application by the department, shall pilot test~~ shall conduct a feasibility study of the use of in-home health care monitoring systems. The study shall be provided to the General Assembly no later than December 1, 2011, or the department may implement a pilot project for the testing of an in-home health care system in ~~a minimum of five counties~~ one county of this State ~~with the highest based on the~~ incidence of emergency room use during Fiscal Year 2009-10 by Medicaid recipients. The department shall not expend more than \$500,000 on the pilot and the expenditure of funds is contingent upon the department receiving an equal or greater amount of matching funds from any third party provider or vendor whom the department may contract with to operate the program. ~~The pilot test must include a statistically valid sample of Medicaid patients within the counties as determined by the Director of the Department of Health and Human Services. This program shall provide a state of the art in-home health care system which provides around the clock access to medical assessment care and additionally provides an emergency response function that gives a Medicaid recipient the ability to contact a local emergency response center.~~

~~The purpose of the program is to reduce the amount of emergency room visits in nonemergency cases and to reduce the amount of visits to other medical care facilities in order to save on the cost of providing this care and in order to provide better health care.~~

~~The in-home health care system option must consist of three main components:~~

~~(1) the medical console and wireless transmitter;~~

~~(2) the medical triage center; and~~

~~(3) the emergency response call center.~~

~~The medical console and wireless transmitter must have the following capabilities:~~

~~(1) the medical console must be capable of communication between two separate call centers, one of which is a monitoring facility to provide certified medical triage care twenty-four hours a day and the other of which is a monitoring facility to provide emergency response services twenty four hours a day;~~

~~(2) the wireless transmitter for the medical console must have two buttons, one for transmitting a signal to the console to contact the emergency response monitoring facility, and the second button also must send a wireless signal to the console to trigger contact with the medical triage center;~~

~~(3) the medical console must be able to send a report/event code to the emergency response call center after a medical triage center call has been placed;~~

~~(4) an emergency button on the medical console must include Braille for the sight impaired;~~

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

~~The medical triage center must have or be:~~

- ~~(1) open twenty-four hours a day, three hundred sixty-five days a year;~~
- ~~(2) a call center must be located in the United States;~~
- ~~(3) Utilization Review Accreditation Commission (URAC) accredited;~~
- ~~(4) on-call availability of a South Carolina licensed physician, twenty-four hours, seven days a week for guidance or review of clinical calls as needed;~~
- ~~(5) registered nurses with a minimum of ten years experience available to answer all calls;~~
- ~~(6) all calls digitally recorded and archived, and a triage report prepared and sent;~~
- ~~(7) daily monitoring of communications with the call center;~~
- ~~(8) fully HIPAA compliant;~~
- ~~(9) bilingual staff in English and Spanish;~~
- ~~(10) a mechanism that ensures that a caller will never receive a busy signal or voice mail when accessing the nurse advice line;~~
- ~~(11) clinical staff able to serve pediatric, adolescent, adult, and senior populations, as well as health care expertise in a variety of clinical areas such as emergency room, pediatrics, critical care, oncology, cardiology, pulmonary, geriatrics, obstetrics/gynecology and general medicine; and~~
- ~~(12) the infrastructure in place to allow the telephone network to digitally communicate with the medical console for incoming call connection, call disconnect, and client file access;~~

~~The emergency response call center must:~~

- ~~(1) be open twenty-four hours a day, three hundred sixty-five days a year;~~
- ~~(2) be located in South Carolina;~~
- ~~(3) maintain a digital receiver capable of processing two-way voice audio using multiple formats;~~

~~Facilities, emergency response and the medical triage center, shall offer all recipients selected by the department unlimited use of services provided by the emergency monitoring and medical triage facilities at no additional cost burden to the State.~~

~~The pilot testing program must be conducted for the current fiscal year. The department in developing and administering this program is authorized to take such actions as may be required, including making requests for Medicaid waivers when necessary.~~

~~The department, in implementing this program on a pilot testing basis, also is authorized to contract with a third-party provider or vendor to furnish and operate the program or a physician's office that provides a similar patient service.~~

- 21.47 DELETE NEW PROVISO** (Pediatric Long Term Care Hospital Reimbursement) **WMC:** ADD new to direct the department to develop and implement a reasonable and appropriate rate methodology for Medicaid services to reimburse a Pediatric Long Term Care Hospital designated under the 2010-2011 DHEC State Health Plan. Direct the department, in developing the rate, to consider rates and methodologies used by other state Medicaid programs. Direct the department to submit any necessary plan amendment to the Centers for Medicare and Medicaid Services (CMS) by August 31, 2011. Fiscal Impact: No impact on the General Fund.
HOU: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

~~*21.47. (DHHS: Pediatric Long Term Care Hospital Reimbursement) The department shall develop and implement a reasonable and appropriate rate methodology for Medicaid services to reimburse a Pediatric Long Term Care Hospital designated under the 2010-2011 Department of Health and Environmental Control State Health Plan. The department shall consider rates and methodologies utilized by other state Medicaid programs in developing this rate. The department shall submit any necessary plan amendment to the Centers for Medicare and Medicaid Services (CMS) no later than August 31, 2011.*~~

- 21.48** **ADD** (Medicaid Reporting) **HOU:** ADD new proviso to direct the department, within 90 days of the end of each quarter in FY 11-12, to report each cost savings measures that have been implemented. Direct that the department report, by county, the number of enrolled and active providers by provider type, specialty, and sub-specialty, the number of recipients, by provider type, expenditures by provider type and specialty, and service level usage trends. Require the department continue to annually report HEDIS measures. Direct that each report be submitted to the Chairmen of the Senate Finance and House Ways and Means Committees and be placed on the department's website. Sponsors: Reps. White and Cobb-Hunter.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

21.48. (DHHS: Medicaid Reporting) Within 90 days of the end of each quarter in FY 2011-2012, the department shall report each cost-savings measure implemented. By county, the department shall report the number of enrolled and active providers by provider type, provider specialty and sub-specialty, the number of recipients, the number of recipients by provider type, the expenditures by provider type and specialty, and service level utilization trends. The department shall continue to annually report HEDIS measures, noting where measures improve or decline. Each report shall be submitted to the Chairman of the Senate Finance Committee, the Chairman of the Ways and Means Committee, and be transparent on the department's website.

- 21.ngp** **ADD** (Non-Generic Prescriptions) **PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to allow Medicaid recipients being served by the Department of Mental Health or receiving treatment for HIV/AIDS to continue to receive non-generic medications that maintain the recipient's condition in a stable manner until the specific medication is no longer medically necessary.

21.ngp. (DHHS: Non-Generic Prescriptions) If a client is receiving a non-generic prescription medication through the Department of Mental Health, or is receiving non-generic drugs for the treatment of HIV/AIDS through the Medicaid program, and such non-generic medication maintains the client's condition in a stable manner, the Medicaid program must continue to offer to prescribe the non-generic medication until such time as the specific medication is no longer determined to be medically necessary.

- 21.pls** **ADD** (In-state Medicaid Providers Lab Services) **PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct, whenever possible, Coordinated Care health plans shall apply an in-state provider preference for laboratory services if the in-state provider is able to provide the service at the same cost as an out-of-state provider.

21.pls. (DHHS: In-state Providers Lab Services) Whenever possible, health plans participating in the Medicaid Coordinated Care program shall apply an in-state provider

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

preference when contracting for laboratory services if the in-state provider is able to provide the requested service at the same cost as an out-of-state provider.

- 21.npm ADD** (Notice of Proposed Medicaid Rate Reductions or Fee Increases) **PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require the department, prior to implementing rate reductions or fee increases, to conduct a minimum 30 day comment period to receive written comments and require a minimum 30 day review period of any comments received before implementing a rate reduction or fee increase.

21.npm. (DHHS: Notice of Proposed Rate Reductions or Fee Increases) The Department of Health and Human Services may not reduce Medicaid provider rates or increase Medicaid fees, until the department has provided notice of the proposed rate reduction or fee increase and has given a minimum of thirty days from the date of notification for written comments to be submitted. Following this thirty day comment period, the department must take a minimum of thirty days to review and respond to the comments received. The department must not implement a provider rate reduction or fee increase until a minimum of sixty days has elapsed from the date of notification or the amount of time allowed for commenting and reviewing and responding to the comments has elapsed, whichever is longer.

This does not restrict the annual updating of cost base rates and those rates which are indexed to methodologies provided for in the Medicaid State Plan.

SECTION 22 - J04-DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

- 22.5 AMEND** (Cancer/Hemophilia) Prohibits \$686,216 appropriated for prevention, detection, and surveillance of cancer and cancer treatment services and \$1,493,245 appropriated for the hemophilia assistance program from being transferred to other programs within the agency. Provides the manner in which mandated budget reductions may be taken from this item.
WMC: AMEND proviso to change “\$686,216” to \$545,449: and “\$1,493,245” to “\$1,186,928.” *Conforms to amount of funding currently provided.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Environmental Control.
HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

22.5. (DHEC: Cancer/Hemophilia) Notwithstanding any other provisions of this act, the funds appropriated herein for prevention, detection and surveillance of cancer as well as providing for cancer treatment services, ~~\$686,216~~ \$545,449 and the hemophilia assistance program, ~~\$1,493,245~~ \$1,186,928 shall not be transferred to other programs within the agency and when instructed by the Budget and Control Board or the General Assembly to reduce funds within the department by a certain percentage, the department may not act unilaterally to reduce the funds for any cancer treatment program and hemophilia assistance program provided for herein greater than such stipulated percentage.

- 22.9 AMEND** (Emergency Medical Services) Provides for the allocation of Emergency Medical Services funds to counties to improve and upgrade the EMS system throughout the state. Prohibits \$1,610,512 appropriated for Emergency Medical Services from being transferred to

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

any other program. Authorizes unexpended funds to be carried forward. Provides the manner in which mandated budget reductions may be taken from this item.

WMC: AMEND proviso to change “\$1,610,512” to “\$1,234,288. *Conforms to amount of funding currently provided.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Environmental Control.

HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

22.9. (DHEC: Emergency Medical Services) Funds appropriated herein for Emergency Medical Services, shall be allocated for the purpose of improving and upgrading the EMS system throughout the state. The monies allocated to the Counties are for the purpose of improving or upgrading the local EMS system through the licensed ambulance services, the monies allocated to the EMS Regional Councils are for the administration of training programs and technical assistance to local EMS organizations and county systems. All additional funds are to be allocated as follows: to the counties at the ratio of 81% of the additional funds appropriated herein, to the EMS Regions at a ratio of 12% of the additional funds appropriated herein and to the state EMS Office at the ratio of 7% of the additional funds appropriated herein. The Department of Health and Environmental Control shall develop criteria and guidelines and administer the system to make allocations to each region and county within the state, based on demonstrated need and local match. Funds appropriated, ~~\$1,610,512~~ \$1,234,288, to Emergency Medical Services shall not be transferred to other programs within the department’s budget. Unexpended funds appropriated to the program may be carried forward to succeeding fiscal years and expended for administrative and operational support and for temporary and contract employees to assist with duties related to improving and upgrading the EMS system throughout the state, including training of EMS personnel and administration of grants to local EMS providers. In addition, when instructed by the Budget and Control Board or the General Assembly to reduce funds by a certain percentage, the department may not reduce the funds appropriated for EMS Regional Councils or Aid to Counties greater than such stipulated percentage.

22.10 **AMEND** (Rape Violence Prevention Contract) Directs that \$513,481 of Rape Violence Prevention funds be used to support rape crisis centers programmatic efforts by distributing these funds based on DHEC Rape Violence Prevention Program service standards and each center’s accomplishment of a pre-approved annual action plan.

WMC: AMEND proviso to change “\$513,481” to “\$403,956” *Conforms to amount of funding currently provided.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Environmental Control. AMEND FURTHER to direct that for FY 11-12 the department may not reduce these contracts below the current level of funding.

HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

22.10. (DHEC: Rape Violence Prevention Contract) Of the amounts appropriated in Rape Violence Prevention, ~~\$513,481~~ \$403,956 shall be used to support programmatic efforts of the state’s rape crisis centers with distribution of these funds based on the Department of Health and Environmental Control Rape Violence Prevention Program service standards and each

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

center's accomplishment of a pre-approved annual action plan. For Fiscal Year 2011-12, the department shall not reduce these contracts below the current funding level.

- 22.12** **AMEND FURTHER** (Sickle Cell Programs) Directs that \$957,633 is appropriated for Sickle Cell program services and directs that 67% of the funds be divided equitably between existing Community Based Sickle Cell Programs in Spartanburg, Columbia, Orangeburg, and Charleston; and 33% of the funds be used for the Community Based Sickle Cell Program at DHEC. Directs that the funds be used for prevention and educational programs, testing, counseling and newborn screening. Provides the manner in which mandated budget reductions may be taken from this item. Prohibits these funds from being transferred for any other purpose.
- WMC:** AMEND proviso to change "\$957,633" to "\$761,233." *Conforms to amount of funding currently provided.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Environmental Control.
- HOU:** ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to prohibit the department from reducing Sickle Cell program funds below the current funding level.

22.12. (DHEC: Sickle Cell Programs) ~~\$957,633~~ \$761,233 is appropriated for Sickle Cell program services and shall be apportioned as follows:

- (1) 67% is to be divided equitably between the existing Community Based Sickle Cell Programs located in Spartanburg, Columbia, Orangeburg, and Charleston; and
- (2) 33% is for the Community Based Sickle Cell Program at DHEC.

The funds shall be used for providing prevention programs, educational programs, testing, counseling and newborn screening. The balance of the total appropriation must be used for Sickle Cell Services operated by the Independent Living program of DHEC. The funds appropriated to the community based sickle cell centers shall be reduced to reflect any percent reduction assigned to the Department of Health and Environmental Control by the Budget and Control Board; provided, however, that the department may not act unilaterally to reduce the funds for the Sickle Cell program greater than such stipulated percentage. The department shall not be required to undertake any treatment, medical management or health care follow-up for any person with sickle cell disease identified through any neonatal testing program, beyond the level of services supported by funds now or subsequently appropriated for such services. No funds appropriated for ongoing or newly established sickle cell services may be diverted to other budget categories within the DHEC budget. For Fiscal Year 2011-12, the department shall not reduce these funds below the current funding level.

- 22.13** **AMEND** (Genetic Services) Directs that \$130,948 under the Independent Living program is to be used to provide appropriate genetic services to medically needy and underserved persons. Directs that the funds be divided equally among the three Regional Genetic Centers of South Carolina, composed of units from MUSC, USC School of Medicine, and the Greenwood Genetic Center.
- WMC:** AMEND proviso to change "\$130,948" to "\$104,086." *Conforms to amount of funding currently provided.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Environmental Control.
- HOU:** ADOPT proviso as amended.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

22.13. (DHEC: Genetic Services) The sum of ~~\$130,948~~ \$104,086 appearing under the Independent Living program of this act shall be appropriated to and administered by the Department of Health and Environmental Control for the purpose of providing appropriate genetic services to medically needy and underserved persons. Such funds shall be used by the department to administer the program and to contract with appropriate providers of genetic services. Such services will include genetic screening, laboratory testing, counseling, and other services as may be deemed beneficial by the department, and these funds shall be divided equally among the three Regional Genetic Centers of South Carolina, composed of units from the Medical University of South Carolina, the University of South Carolina School of Medicine, and the Greenwood Genetic Center.

22.34 **AMEND FURTHER** (Beach Renourishment and Monitoring) Requires beach renourishment funds be spent in accordance with priorities established by the Office of Coastal and Resource Management (OCRM). Limits funds spent to support annual beach profile monitoring to \$100,000 annually. Directs beach renourishment project funds that are certified by the department as excess to a project to be allocated to other beach renourishment projects on a priority basis according to R.30-18.

WMC: AMEND proviso to allow beach renourishment funds to be spent for coastal access improvement; delete the specification that these funds be spent in accordance with priorities established by OCRM And instead direct that the funds be spent in accordance with “all required state and federal permits and certifications.” Fiscal Impact: No impact on the General Fund.

HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to suspend beach renourishment activities for the current fiscal year and delete the authorization for certified excess beach renourishment project funds to be allocated to other beach renourishment projects or for coastal access improvement.

22.34. (DHEC: Beach Renourishment and Monitoring *and Coastal Access Improvement*) **Beach renourishment activities are suspended for the current fiscal year.** Funds allocated for beach renourishment ~~*may be spent for coastal access improvement and*~~ shall be spent in accordance with ~~the priorities established by the department’s Office of Coastal and Resource Management~~ *all required state and federal permits and certifications.* If state funds are made available from any general revenue, capital, surplus or bond funding appropriated to the department for beach renourishment and maintenance, the department shall be able to expend not more than \$100,000 of these funds annually to support annual beach profile monitoring coast wide to enable the department to determine erosion rates and to identify priority areas needing renourishment and maintenance to mitigate erosion and storm damage potential. ~~Appropriations for beach renourishment projects that are certified by the department as excess to the final State share of project costs and the annual coast wide monitoring costs shall may be allocated by the department to other beach renourishment projects on a priority basis in accordance with R.30-18 or spent for coastal access improvement.~~

22.35 **AMEND** (South Carolina State Trauma Care Fund) Directs that \$2,948,519 of State Trauma Care Fund monies be used to increase the reimbursement rates for trauma hospitals, for trauma

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

specialists' professional fee, for increasing the capability of EMS trauma care providers from counties with a high rate of traumatic injury deaths to care for injury patients, and to support the trauma system. Provides the percentage methodology to be used to disburse the funds.

WMC: AMEND proviso to change "\$2,948,519" to "\$2,268,885." *Conforms to amount of funding currently provided.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Environmental Control.

HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

22.35. (DHEC: South Carolina State Trauma Care Fund) Of the funds appropriated to the South Carolina State Trauma Care Fund, ~~\$2,948,519~~ \$2,268,885 shall be utilized for increasing the reimbursement rates for trauma hospitals, for trauma specialists' professional fee, for increasing the capability of EMS trauma care providers from counties with a high rate of traumatic injury deaths to care for injury patients, and for support of the trauma system, based on a methodology as determined by the department with guidance and input from the Trauma Council as established in Section 44-61-530 of the South Carolina Code of Laws. The methodology to be developed will include a breakdown of disbursement of funds by percentage, with a proposed 76.5% disbursed to hospitals and trauma physician fees, 16% of the 21% must be disbursed to EMS providers for training EMTs, Advanced EMTs and paramedics by the four regional councils of this state and the remaining 5% must be disbursed to EMS providers in counties with high trauma mortality rates, and 2.5% allocated to the department for administration of the fund and support of the trauma system. The Department of Health and Environmental Control shall promulgate regulations as required in Section 44-61-540 of the 1976 Code for the administration and oversight of the Trauma Care Fund.

- 22.43** **DELETE NEW PROVISO** (Immunizations and Inspections) **WMC:** ADD new proviso to allow the department to use \$4,000,000 of smoking cessation funds for Immunizations and Water and Environmental Inspections./ Fiscal Impact: No impact on the General Fund.
HOU: AMEND new proviso to also allow the department to use the \$4,000,000 for Preventative Diseases. Sponsor: Rep. J.E. Smith.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~**22.43.** (DHEC: Immunizations and Inspections) *Of the funds authorized to the department for smoking cessation, \$4,000,000 may be used for Immunizations, Preventative Diseases, and Water and Environmental Inspections.*~~

- 22.iom** **ADD** (South Carolina Institute of Medicine) **PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct the department to use not more than \$50,000 of Family Health funds for the development of the South Carolina Institute of Medicine. Require the Institute to secure matching private or non-state funds in order to receive the funding from the department. State that the purpose of the Institute is to provide research and analysis of statewide issues that adversely impact health and the efficient and effective delivery of health care and that the Institute will partner with and not duplicate the work of existing entities.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

22.iom. (DHEC: South Carolina Institute of Medicine) Of the funds appropriated to the department in program I.E. Family Health, the department shall not expend more than \$50,000 in the development of the South Carolina Institute of Medicine. The receipt of department funds is contingent upon the Institute securing at least an equal amount of matching funds from private or other non-state sources. The Institute shall be organized for the purpose of providing research and analysis of statewide issues that adversely impact health and the efficient and effective delivery of health care for the citizens of South Carolina. The Institute shall employ a collaborative review and study process and will partner with and not duplicate the work of existing entities. The Institute's Governing Board shall consist of leaders from health, government, education, and private sectors and, at a minimum, shall also include the Chairman or designee of the following Committees: House Ways and Means, House Medical, Military, Public and Municipal Affairs, Senate Finance, Senate Medical Affairs and two at-large members appointed by the Governor.

- 22.dds ADD** (Donated Dental Services) **PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct the department to provide \$30,000 of Family Health Program funds to the Donated Dental Services Program. *Provides funds for administrative support for the program which provides dental services to the disabled, elderly, or medically-compromised individuals who are not eligible for Medicare or Medicaid.*

22.dds. (DHEC: Donated Dental Services) Of the funds appropriated to the department in I.E. Family Health, the department shall provide \$30,000 for the Donated Dental Services Program operated in conjunction with the National Foundation of Dentistry for the Handicapped.

SECTION 23 - J12-DEPARTMENT OF MENTAL HEALTH

- 23.2 CONFORM TO FUNDING** (Paying Patient Account) Directs the department to transfer \$3.4 million to the General Fund from the surplus funds in the paying patient account.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

~~23.2. (DMH: Paying Patient Account) In addition to other payments provided in Part I of this act, the Department of Mental Health is hereby directed during the current fiscal year to remit to the General Fund of the State the amount of \$3,400,000 to be paid from the surplus funds in the paying patient account which has been previously designated for capital improvements and debt service. It is the intent of the General Assembly to assist the department to reduce and eventually eliminate this obligation to the general fund.~~

- 23.8 AMEND** (Alzheimer's Funding) Requires the department to use \$911,620 of Community Mental Health Centers funding to contract to provide Alzheimers respite care and diagnostic services to those who qualify as determined by the Alzheimer's Disease and Related Disorders Association and to maximize federal matching dollars.
WMC: AMEND proviso to change "\$911,620" to "\$778,706." *Conforms to amount of funding currently provided.* Fiscal Impact: No impact on the General Fund. Requested by Department of Mental Health.
HOU: ADOPT proviso as amended.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

23.8. (DMH: Alzheimer's Funding) Of the funds appropriated to the Department of Mental Health for Community Mental Health Centers, ~~\$911,620~~ \$778,706 must be used for contractual services to provide respite care and diagnostic services to those who qualify as determined by the Alzheimer's Disease and Related Disorders Association. The department must maximize, to the extent feasible, federal matching dollars. On or before September thirtieth of each year, the Alzheimer's Disease and Related Disorders Association must submit to the department, Governor, Senate Finance Committee, and House Ways and Means Committee an annual financial statement and outcomes measures attained for the fiscal year just ended. These funds may not be expended or transferred during the current fiscal year until the required reports have been received by the department, Governor, Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee. In addition, when instructed by the Budget and Control Board or the General Assembly to reduce funds by a certain percentage, the department may not reduce the funds transferred to the Alzheimer's Disease and Related Disorders Association greater than such stipulated percentage.

- 23.14** **DELETE** (Carry Forward Unobligated Funds) Authorizes the department to carry forward unobligated funds resulting from additional payment received from the increased FMAP provided by the ARRA of 2009 and to use the funds for inpatient hospital services.
WMC: DELETE proviso. *ARRA funds are no longer available.* Fiscal Impact: No impact on the General Fund. Requested by Department of Mental Health.
HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

23.14. (DMH: Carry Forward Unobligated Funds) ~~The Department of Mental Health is authorized to carry forward from the prior fiscal year into the current fiscal year, unobligated funds resulting from additional payments received from the increased Federal Medical Assistance Percentage provided by the American Recovery and Reinvestment Act of 2009 to be used for inpatient hospital services.~~

- 23.16** **AMEND NEW PROVISO** (Medicaid Beneficiary Choice) **WMC:** ADD new proviso to require the department to allow a Medicaid beneficiary to receive medically necessary community based rehabilitative behavioral health services from any qualified Medicaid provider enrolled by the Department of Health and Human Services as of July 1, 2011, if the department provides state identified matching funds for such services. Fiscal Impact: No impact on the General Fund.
HOU: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to specify "paraprofessional" rehabilitative behavioral health services.

23.16. (DMH: Medicaid Beneficiary Choice) For ~~any~~ Medicaid covered community based paraprofessional rehabilitative behavioral health services for which the Department of Mental Health provides state identified matching funds, the department must allow a Medicaid

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

beneficiary to receive medically necessary community based paraprofessional rehabilitative behavioral health services from any qualified Medicaid provider enrolled by the Department of Health and Human Services as of July 1, 2011.

- 23.17 DELETE NEW PROVISO** (Non-Generic Prescription) **HOU:** ADD new proviso to direct that if a Department of Mental Health client is receiving a non-generic prescription through the department, and the medication maintains the client's condition in a stable manner, the department must continue to offer to prescribe the non-generic medicine until the client no longer requires the medication. Sponsor: Rep. Ott.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.
See new 21.ngp.

~~*23.17. (DMH: Non-Generic Prescriptions) If a client is receiving a non generic prescription medication through the Department of Mental Health, and such non generic medication maintains the client's condition in a stable manner, the agency must continue to offer to prescribe the non generic medication until such time as the medication is no longer required by the client.*~~

SECTION 24 - J16-DEPARTMENT OF DISABILITIES AND SPECIAL NEEDS

- 24.14 ADD** (Traumatic Brain Injury) **HOU:** ADD new proviso to direct that Traumatic Brain Injury/Spinal Cord Injury Post-Acute Rehabilitation funds shall not be used for any other purpose and that in the event of a general fund reduction, any cuts must be assessed proportionately and shall not exceed reductions to other agency services. Sponsors: Reps. Ott and White.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

24.14. (DDSN: Traumatic Brain Injury) Funds appropriated by the agency for Traumatic Brain Injury/Spinal Cord Injury Post-Acute Rehabilitation shall be used for that purpose only. In the event the department receives a general fund reduction in the current fiscal year, any funding reductions to the post-acute rehabilitation funding must be in equal proportion to and shall not exceed reductions to other agency services.

SECTION 25 - J20-DEPARTMENT OF ALCOHOL & OTHER DRUG ABUSE SERVICES

- 25.3 AMEND** (Eligibility for Treatment Services) Directs that any South Carolina resident, upon payment of all applicable fees, is eligible to take part in treatment programs offered by the department during FY 10-11.

WMC: AMEND proviso to change "2010-11" to "current" fiscal year. Fiscal Impact: No impact on the General Fund. Requested by Department of Alcohol and Other Drug Abuse Services.

HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

25.3. (DAODAS: Eligibility for Treatment Services) Upon the payment of all applicable fees, any resident of South Carolina is eligible to take part in the treatment programs offered by the Department of Alcohol and Other Drug Abuse Services during the ~~2010-11~~ current fiscal year.

SECTION 26 - L04-DEPARTMENT OF SOCIAL SERVICES

26.22 **AMEND** (Teen Pregnancy Prevention) Directs DSS to use the funds appropriated for the Continuation of Teen Pregnancy Prevention to award two contracts to separate private entities to provide teen pregnancy prevention programs and services; directs that the funds be divided equally between the contracts; and provides directives for the awarding of the contracts.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: AMEND proviso to require the contracts be awarded on a competitive basis in accordance with the Procurement Code. Specify that the funds be paid over a twelve month period for services rendered. Allow unexpended funds to be carried forward to fulfill the contractual agreement. Delete the requirement that a 5 member committee oversee the contract award process.

26.22. (DSS: Teen Pregnancy Prevention) From the monies appropriated for the Continuation of Teen Pregnancy Prevention, the department must award two contracts to separate private entities to provide teen pregnancy prevention programs and services within the State. Contracts must be awarded utilizing a competitive approach in accordance with the South Carolina Procurement Code. The monies appropriated must be divided equally between the contracts and paid over a twelve month basis for services rendered. Unexpended funds shall be carried forward for the purpose of fulfilling the department's contractual agreement. Entities that have a proven and public history of having effectively implemented abstinence programs in this State may be given a preference during the contract evaluation and awarding process. One contract must be awarded to an entity that utilizes an abstinence first, age appropriate comprehensive approach to health and sexuality education with a goal of preventing adolescent pregnancy throughout South Carolina. One contract must be awarded to an entity that uses a National Abstinence Clearinghouse (NAC) approved curricula for a minimum of one year prior to their application. NAC is the agency the federal Department of Health and Human Services has chosen to provide a comprehensive, national list of approved abstinence-only education curricula that is consistent with the A through H legislative requirements defined in Title V, Section 510(b)(2). Any entity that is awarded one of the above contracts must agree to provide data to verify the program effectiveness. ~~A five member committee shall oversee the contract award process. The committee's first meeting shall be on or before August 1, 2009. The five member committee shall be composed as follows: the President Pro Tempore of the Senate shall appoint two members of the committee, the Speaker of the House shall appoint two members of the committee and the Governor shall appoint one member of the committee. Members of the committee shall serve without compensation.~~

26.24 **AMEND** (Day Care Facilities Supervision Rates) Prohibits the department from implementing Regulations 114-504(B) and (C) [DAY CARE FACILITIES SUPERVISION STAFF:CHILD RATIOS FOR LICENSED CENTERS] during the Fiscal Year 2010-11.

WMC: AMEND proviso to change Fiscal Year "2010-11" to "2011-12." Fiscal Impact: No impact on the General Fund. Requested by Department of Social Services.

HOU: ADOPT proviso as amended.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

26.24. (DSS: Day Care Facilities Supervision Ratios) For Fiscal Year ~~2010-11~~ 2011-12, staff-child ratios contained in Regulations 114-504(B), 114-504(C), 114-524(B), and 114-524(C) shall remain at the June 24, 2008 levels.

26.25 **DELETE** (Child Welfare Outsourcing Study) Directs the department to study the outsourcing of child welfare services including case management and report the findings to the Governor and Chairmen of the Senate Finance and House Ways and Means Committees by January 31, 2011.

WMC: DELETE proviso. *Report has been issued.* Fiscal Impact: No impact on the General Fund. Requested by Department of Social Services.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

26.25. (DSS: Child Welfare Outsourcing Study) ~~From funds appropriated to the department for child welfare, the department shall conduct a study with provider and stakeholder participation to determine the feasibility of child welfare outsourcing initiatives. The study should include, but is not limited to, a review of other states contract monitoring and quality assurance models for private providers, to include performance measures and outcomes; a description of all services which might be effectively outsourced to include case management; an analysis of state procurement requirements; an analysis of cost savings or potential costs avoided that may accrue to the state; and a review of provider and state system data measures which can monitor private provider accountability and compliance and assist in rate setting. The department shall provide a report of the findings to the Governor, the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee no later than January 31, 2011.~~

26.26 **REINSERT/AMEND** (Child Care Center Provisional License Extension) Authorizes a licensed child care center that is not in full compliance the hot water requirement of Regulation 114-507 A.6(b) [PHYSICAL SITE, INDOOR SPACE AND CONDITIONS, WATER SUPPLY] to have their provisional license extended until June 30, 2011.

WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso and amend to change item "A.6(b)" to "A.12(d)" and update "2011" to "2012."

26.26. (DSS: Child Care Center Provisional License Extension) If a licensed child care center is not in full compliance with Regulation 114-507 item ~~A.6(b)~~ A.12(d) related to the provision of hot water, the center may have their provisional license extended until June 30, ~~2011~~ 2012.

26.27 **DELETE NEW PROVISO** (Day Care Vouchers) **WMC:** ADD new proviso to prohibit the department from using the ABC Child Care vouchers on Day Care providers that are not either

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

licensed or registered and require all Child Care providers that receive these vouchers to be either licensed or registered by DSS following State approved Child Care Licensing regulations.

HOU: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~*26.27. (DSS: Day Care Vouchers) The department is prohibited from using the ABC Child Care vouchers on Day Care providers that are not either licensed or registered. All Child Care providers receiving these vouchers must be either licensed or registered by DSS Child Care Licensing following State approved regulations.*~~

- 26.28** **ADD** (Licensed Day Care Facilities Relicensing) **HOU:** ADD new proviso to extend a DSS operating license or approval for a child care center, church or religious center, group child care home or licensed family child care home for an additional year. Direct that no license, approval, or registration be issued for longer than three years. Require registered family homes continue to complete a yearly registration process. Direct that facilities are not eligible for the extension if there any DSS revocation proceedings in process. Sponsor: Rep. White.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

26.28. (DSS: Licensed Day Care Facilities Relicensing) Notwithstanding 63-13-20 (22), (23), and (26), and 63-13-1010, for Fiscal Year 2011-12, any child care center, church or religious center, group child care home, or licensed family child care home shall have their DSS operating license or approval extended an additional year. At no time shall a license, approval, or registration be issued for a period greater than three years. All registered family homes will continue to complete a yearly registration process. Facilities are not eligible for the extension provided for herein if DSS is investigating the facility for possible revocation, is in the process of revocation, the revocation is under appeal, or the license, approval or registration is subsequently reinstated by DSS.

- 26.rts** **ADD** (Restoration of TANF Stipends) **PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct the department to apply any surplus funds resulting from federal revenue maximization efforts to restoring TANF stipends.

26.rts. (DSS: Restoration of TANF Stipends) If federal revenue maximization efforts produce sufficient federal or state funds in excess of the amount needed for department programs and operations, the department shall apply the excess funds to restoration of the Temporary Assistance to Needy Families (TANF) stipends that were reduced in the prior fiscal year.

SECTION 32 - L32-HOUSING FINANCE AND DEVELOPMENT AUTHORITY

- 32.4** **AMEND** (Allocation of Indirect Cost Recoveries) Directs the authority to deposit indirect cost recoveries for the authority's portion of the FY 2010-11 Statewide Central Services Cost Allocation Plan (SWCAP) into the general fund and to retain recoveries in excess of the amount deposited in the general fund.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

WMC: AMEND proviso to change Fiscal Year “2010-11” to “2011-12.” Fiscal Impact: No impact on the General Fund.

HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

32.4. (HFDA: Allocation of Indirect Cost Recoveries) The authority shall deposit in the state general fund indirect cost recoveries for the authority’s portion of the Fiscal Year ~~2010-11~~ 2011-12 Statewide Central Services Cost Allocation Plan (SWCAP). The authority shall retain recoveries in excess of the SWCAP amount to be deposited in the state general fund.

SECTION 55 - L46-COMMISSION FOR MINORITY AFFAIRS

55.5 **DELETE NEW PROVISO** (Fatherhood and Families Pilot Program) **HOU:** ADD new proviso to direct the commission, if funds are available, to implement and support a Fatherhood and Families Pilot Program in Darlington County. Direct that the pilot program’s goals will be to link absent fathers with their children in order to diminish the negative impact and effects of “father absence” and to strengthen families. Sponsor: Rep. Limehouse.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~55.5. (CMA: Fatherhood and Families Pilot Program) The Commission for Minority Affairs, provided that funds are available, is directed to implement and support a Fatherhood and Families Pilot Program in Darlington County. The goals of the Fatherhood and Families Pilot Program will be to link absent fathers with their children in order to diminish the negative impact and effects of “father absence” and to strengthen families.~~

SECTION 72 - D21 - GOVERNOR’S OFFICE

72.2 **DELETE** (GOV: OEPP - Developmental Disabilities Program) Authorizes the SC Developmental Disabilities Program within OEPP to provide aid to sub-grantees for projects and services to benefit persons with developmental disabilities. States that the intent of this provision is to not duplicate other state agency programs but to fill gaps that exist in state service delivery related to this target population identified and addressed in the Developmental Disabilities State Plan.

WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

72.2. (GOV: OEPP - Developmental Disabilities Program) ~~The South Carolina Developmental Disabilities Program of the Office of the Governor, Office of Executive Policy and Programs is authorized to provide aid to sub-grantees for projects and services to benefit persons with developmental disabilities. The intent of this provision is not to duplicate other state agency programs which are considered the legal and programmatic mandate of existing~~

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

state agencies, but rather to fill gaps that exist in the state service delivery system related to his target population as identified and addressed in the Developmental Disabilities State Plan.

- 72.3** **AMEND** (OEPP - Development Disabilities Case Coordination System) Directs that of the appropriation for Allocations to Other State Agencies, \$112,559 less any pro rata base reduction adjustment, must be used for the SC Development Disabilities Case Coordination System.

WMC: AMEND proviso to delete the expenditure requirement and instead direct that \$50,000 of the funds appropriated to OEPP must be used as a state match for the Developmental Disabilities Council federal grant and direct that these funds be excluded from the agency's base budget when calculating any across-the-board agency base reduction. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

~~**72.3.** (GOV: OEPP - Development Disabilities Case Coordination System) \$112,559, less any pro rata share adjustment of any mandated base budget reduction, of the sums appropriated under OEPP, Allocations to Other State Agencies must be for the South Carolina Development Disabilities Case Coordination System. Of the funds appropriated to the Governor's Office of Executive Policy and Programs, \$50,000 must be used as state match for the Developmental Disabilities Council federal grant. These funds shall be excluded from the Governor's Office of Executive Policy and Programs' base budget calculation of any across-the-board agency base reductions mandated by the Budget and Control Board or General Assembly.~~

- 72.12** **DELETE** (OEPP - Foster Care Reduction in Funds Separation) Directs that any reduction in funds appropriated for either the Division of Foster Care or "pass-through" funds for the S.C. Protection and Advocacy for the Handicapped shall be calculated based on the separate funds for the respective entities rather than be based on the combined budget of the two organizations.

WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**72.12.** (GOV: OEPP - Foster Care-Reduction in Funds Separation) In recognition of the fact that the funds appropriated for the Division of Foster Care contain both funds appropriated for use by the Division Review System and "pass through" funds designated for use by the South Carolina Protection and Advocacy for the Handicapped, any reduction in funds appropriated for either shall be calculated based upon the separate funds for the respective entities rather than based upon the combined budget of the two organizations.~~

- 72.14** **DELETE** (OEPP - Foster Care-Medicaid Eligible Children) States the intent of the General Assembly to ensure that placements of emotionally disturbed Medicaid eligible individuals under the age of 21 in residential therapeutic treatment are appropriate and that the level of care offered is in the least restrictive environment appropriate to meet the child's treatment needs. Expands the statutory powers and functions of the Division of Foster Care to develop,

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

implement, and manage a quality assurance review system under contract with the Department of Health and Human Services. Directs that this provision paragraph supersedes any previous statutory or regulatory mandate.

WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

72.14. (GOV: OEPP - Foster Care-Medicaid Eligible Children) ~~It is the intent of the General Assembly to ensure that placements of emotionally disturbed Medicaid eligible individuals under the age of twenty one in residential therapeutic treatment are appropriate and that the level of care provided each child is offered in the least restrictive environment appropriate to meet the child's treatment needs. The statutory powers and functions of the Division of Foster Care are expanded to develop, implement, and manage a quality assurance review system under contract with the Department of Health and Human Services. This paragraph supersedes any previous statutory or regulatory mandate.~~

72.20 **AMEND FURTHER** (OEPP - ~~Anderson~~ M.J. "Dolly" Cooper Veterans Cemetery Carry Forward) Authorizes Anderson County Veterans Cemetery funds to be carried forward and utilized for the same purpose.

WMC: AMEND proviso to delete reference to "Anderson County" and replace with "M.J. "Dolly" Cooper." Direct that unexpended Veterans Affairs Program funds, including special items, shall be carried forward and used to operate the cemetery. *The Veterans Cemetery is currently only appropriated personal service funding, not "other operating" funds. The carry forward may provide a small source of revenue for cemetery operations.* Fiscal Impact: No impact on the General Fund. Requested by Governor's Office of Executive Policy and Programs.

HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to allow excess carry forward funds that are not needed to operate the cemetery to be used for other Veteran' Affairs Program expenses. Prohibit these carry forward funds from being transferred to any other Governor's Office programs.

72.20. (GOV: OEPP - ~~Anderson~~ M.J. "Dolly" Cooper Veterans Cemetery Carry Forward) The Governor's Office of Executive Policy and Programs, Veterans' Affairs Program may carry forward unexpended funds appropriated and/or authorized for the ~~Anderson County~~ M.J. "Dolly" Cooper Veterans Cemetery from the prior fiscal year and shall use such funds for the same purpose. *In addition, any unexpended funds in the Veterans' Affairs Program, including Special Line Items, shall be carried forward from the prior fiscal year into the current fiscal year and used for operation of the M.J. "Dolly" Cooper Veterans Cemetery. Funds carried forward in excess of the amount needed for the operation of the Cemetery may be used for other expenses of the Veterans' Affairs Program. Funds carried forward may not be transferred to any other Governor's Office programs.*

72.22 **REINSERT** (OEPP - Crime Victims Ombudsman) Requires the State Office of Victims Assistance to transfer \$48,000 to the Crime Victims Ombudsman's Office for administrative and operational support.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso.

72.22. (GOV: OEPP - Crime Victims Ombudsman) For the current fiscal year, the State Office of Victims Assistance shall transfer \$48,000 to the Crime Victims Ombudsman's Office to be used for administrative and operational support.

72.23 **ADD** (OEPP - Veterans' Affairs Budget Reduction Exemption) **WMC:** ADD new proviso to exclude funds appropriated for the Veteran's Affairs Program from OEPP's base budget when calculating across the board agency base reductions mandated by the B&C Board or General Assembly. *Since Veteran's Affairs programs are not assessed a share of any across the board reduction, the funding should be excluded from the calculation.* Fiscal Impact: Veteran's Affairs general fund budget is \$696,762 for FY 10-11. This amount would be excluded from across the board cuts. Requested by Governor's Office of Executive Policy and Programs.
HOU: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

72.23. (GOV: OEPP - Veterans' Affairs Budget Reduction Exemption) Funds appropriated for the Veterans' Affairs Program shall be excluded from the Governor's Office of Executive Policy and Programs base budget in the calculation of any across-the-board agency base reductions mandated by the Budget and Control Board or General Assembly.

SECTION 80A - F03 - BUDGET AND CONTROL BOARD

80A.38 **DELETE** (State Health Plan Obesity Treatment Pilot Program) Directs the board, when they establish the 2011 State Health Plan Benefits, to establish a one year pilot program, for 2011 only, to provide treatment and management of obesity and related conditions through various methods including, but not limited to, bariatric surgery as a treatment option. Provides guidelines for the program. Directs the pilot program is limited to 100 patients from different regions in the state. Requires the State Health Plan to annually report detailed information on the program's trends. Requires a patient to serve as his own control by comparing health care costs in the preceding two years to his health care costs following surgery. Directs that surgeries performed under this program be those determined most medically appropriate for participating patients.

WMC: DELETE proviso. *Program was a one-year pilot program.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

80A.38. (BCB: State Health Plan Obesity Treatment Pilot Program) ~~(A) The Budget and Control Board, when establishing the State Health Plan of Benefits for Plan Year 2011, shall establish a one-year pilot program designed to address the problem of the high rate of obesity in~~

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

~~South Carolina by providing for the treatment and management of obesity and related conditions through various methods including, but not limited to, bariatric surgery as a treatment option. The State Health Plan through the Budget and Control Board must conduct this program as provided in this proviso. The program will operate only in Plan Year 2011.~~

~~(B)(1) The State Health Plan shall develop criteria for patient and facility eligibility for the program which shall include, but not be limited to, bariatric surgical guidelines and criteria of the American Association of Clinical Endocrinologists (AACE), The Obesity Society (TOS), and American Society for Metabolic & Bariatric Surgery (ASMBS) Guidelines for Clinical Practice for the Perioperative Nutritional, Metabolic, and Nonsurgical Support of the Bariatric Surgery Patient.~~

~~(2) In addition to the considerations required in item (1) of this subsection, criteria for patient participation must include that a person may be eligible for bariatric surgery in the program if he is a State Health Plan participant covered as either a subscriber or spouse and is not eligible for Medicare and:~~

~~(a) (i) has a body mass index greater than forty; or
(ii) has a body mass index greater than thirty five and with a co-morbidity such as diabetes, hypertension, gastro-esophageal reflux disease, sleep apnea, or asthma;
(b) has participated in the State Health Plan for at least the immediately preceding two years;~~

~~(c) has documented with his primary practitioner at least two failed attempts at sustained weight loss using programmatic methods as approved by the Plan; and~~

~~(d) has presented a pre-operative psychological evaluation indicating the patient is a satisfactory candidate for surgery.~~

~~(3) In addition to the considerations required in item (1) of this subsection, a medical center or hospital may be eligible to deliver bariatric surgery in the program if it:~~

~~(a) is a nationally designated ASMBS Center of Excellence for Bariatric Surgery, an American College of Surgeons (ACS) Bariatric Surgery Center Network member, or a Blue Distinction Center for Bariatric Surgery;~~

~~(b) has all the critical post surgical patient support in place including, but not limited to:~~

~~(i) a nutritionist or dietician for patient access;
(ii) individual and group support meetings;
(iii) development of personalized weight loss goals and management and support for lifelong life style changes; and~~

~~(iv) a physical activity component; and
(e) imposes an initial surgical fee that must include eighteen months follow up care for the patient that includes, but is not limited to, clinical complications, all band adjustments, use of COE support staff, use of nutritionists, and access to group meetings.~~

~~(C) The program may approve not more than one hundred patients from different regions in the state for the program based on the guidelines developed by the State Health Plan.~~

~~(D)(1) The State Health Plan shall report annually to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee with detailed information on the program's trends including, but not limited to, pre-surgical medical and prescription costs, including those associated with obesity and its co-morbidities, and postsurgical medical and prescription costs, including those related to complications from the surgery. A patient must serve as his own control by comparing health care costs in the preceding two years to his health care costs following surgery.~~

~~(2) Surgeries performed under this program shall be that determined most medically appropriate for participating patients.~~

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

SECTION 80C - F30-BUDGET AND CONTROL BOARD, EMPLOYEE BENEFITS

80C.4 DELETE (County Council Member) Directs that a person who is eligible to participate in the state health and dental insurance plans as a council member of a participating county, who is also eligible to participate as the spouse of a covered employee or retiree may only participate in the insurance plans as either an employee or a spouse, but not as both.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**80C.4.** (BCB/EB: County Council Member) A person who is eligible to participate in the state health and dental insurance plans as a council member of a participating county and who is also eligible to participate as the spouse of a covered employee or retiree may choose to participate in the insurance plans as either an employee or a spouse, but not both.~~

SECTION 89 - X90-GENERAL PROVISIONS

89.80 DELETE (Flexibility) Authorizes agencies, in order to provide maximum flexibility to absorb general fund reductions mandated in this act as compared to Fiscal Year 2008-09 general fund appropriations, to spend agency earmarked and restricted "special revenue funds" to maintain critical program previously funded with general fund appropriations. Provides guidelines for utilizing this flexibility. Prohibits specific agencies from reducing or transferring funds from the certain programs or area.

WMC: DELETE proviso. *See new proviso 89.140.*

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**89.80.** (GP: Flexibility) In order to provide maximum flexibility in absorbing the general fund reductions mandated in this act as compared to Fiscal Year 2008-09 general fund appropriations, agencies are authorized for FY 2010-11 to spend agency earmarked and restricted accounts designated as "special revenue funds" as defined in the Comptroller General's records, to maintain critical programs previously funded with general fund appropriations. Any spending authorization for these purposes must receive the prior approval of the Office of State Budget and must be reported to the Governor, Senate Finance Committee, and the House Ways and Means Committee. The Comptroller General is authorized to implement the procedures necessary to comply with this directive. This provision is provided notwithstanding any other provision of law restricting the use of earned revenue. Appropriation transfers may exceed twenty percent of the program budget upon approval of the Budget and Control Board, Office of State Budget in consultation with the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.~~

~~State institutions of higher learning whose budgets have been reduced from the Fiscal Year 2009-10 state funding level, shall have the authority to use other sources of available funds to support and maintain state funded programs affected by state reductions during Fiscal Year 2010-11 and may adjust appropriations from special items or programs contained in this act in~~

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

~~an amount greater or less than the percentage of the reduction assessed to the institution's base budget. Institutions shall submit to the Office of State Budget, the Senate Finance Committee, and the House Ways and Means Committee the amount of base budget reductions associated with these programs.~~

~~Notwithstanding the flexibility authorized in this provision, the following agencies are prohibited from reducing or transferring funds from the following programs or areas:~~

~~(A) Department of Health and Human Services~~

~~(1) Teen Pregnancy/Abstinence Programs including, but not limited to
MAPPS~~

~~(2) PACE~~

~~(3) Federally Qualified Health Centers~~

~~(4) Provider Rates~~

~~The Department of Health and Human Services shall not decrease provider reimbursement rates from their current levels.~~

~~It is not the intent of this proviso to restrict the annual updating of cost based rates and those rates which are indexed to methodologies described in the Medicaid State Plan.~~

~~(B) Lieutenant Governor's Office~~

~~Home and Community Based Services (Meals on Wheels)~~

~~(C) Department of Commerce~~

~~Regional Economic Development Organizations as defined by proviso 40.12~~

~~(D) Department of Natural Resources~~

~~Law Enforcement Program/Enforcement Operations as contained in Program
II. F. 1~~

~~(E) Department of Parks, Recreation, and Tourism~~

~~(1) Program II. A. Special Item: Regional Promotions~~

~~(2) Program II. C. Special Item: Palmetto Pride~~

~~In addition the Department of Parks, Recreation and Tourism is prohibited from closing or reducing the FTE's in the State House Gift Shop, and the Santee Welcome Center.~~

~~Notwithstanding the prohibition on reducing or transferring funds from the programs or areas listed above, the Department of Natural Resources may reduce the specified programs or areas by an amount not to exceed the percentage associated with any mandated reduction.~~

89.102 DELETE (SCEIS-DHEC) Directs that the SCEIS program and DHEC complete implementation of the Financial and Procurement components of SCEIS for DHEC no later than August 2, 2010. Directs DHEC to spend funds as required to ensure the implementation is completed as scheduled. Directs the SCEIS program to use available resources to assist and support DHEC's implementation. Directs the SCEIS Team to report to the SCEIS Executive Oversight Committee monthly on its activities under this provision.

WMC: DELETE proviso. *Completed.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

89.102. (GP: SCEIS DHEC) ~~It is the intent of the General Assembly that all agencies achieve the maximum benefit of accounting, management and transparency through the implementation of the South Carolina Enterprise Information System (SCEIS). To accomplish this goal at the Department of Health and Environmental Control for the SCEIS Financial and~~

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

~~Procurement components of SCEIS, the SCEIS Program and the Department of Health and Environment Control are directed to complete the implementation of those components not later than August 2, 2010. The Department of Health and Environmental Control shall expend funds as required to ensure the implementation is completed as scheduled. The SCEIS Program shall use resources available to assist and support the Department of Health and Environmental Control implementation. The SCEIS Team shall make monthly reports to the SCEIS Executive Oversight Committee concerning its activities under this provision.~~

- 89.112 AMEND** (State Agency Restructuring Study Committee) Creates a State Agency Restructuring Study Committee co-chaired by the Chairmen of the Senate Finance and Ways and Means Committees and composed of 10 additional members of the General Assembly. Directs the committee to review and recommended ways to further streamline government to realize maximum effectiveness and efficiency. Directs that committee's scope is not limited but at a minimum it shall review Education; Health and Social Services; Natural Resources and Environmental Services; Cultural; Regulatory; and Transportation. Directs that the review, including a cost savings estimate, be submitted to the Chairmen of the Senate Finance and Ways and Means Committees by December 10, 2010.
WMC: AMEND proviso to delete the December 10, 2010 reporting date.
HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

89.112. (GP: State Agency Restructuring Study Committee) There is created a State Agency Restructuring Study Committee. The committee shall be co-chaired by the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee. Its membership shall consist of an additional ten members of the General Assembly appointed as follows: two members appointed by the President Pro Tempore of the Senate; one member of the Senate Finance Committee appointed by the Chairman of the Senate Finance Committee; one member appointed by the Senate Majority Leader; one member appointed by the Senate Minority Leader; two members appointed by the Speaker of the House of Representatives; one member of the House Ways and Means Committee appointed by the Chairman of the House Ways and Means Committee; one member appointed by the House Majority Leader; and one member appointed by the House Minority Leader.

The committee shall review and recommended ways to further streamline government to realize maximum effectiveness and efficiency. The committee shall not be limited in scope, but at a minimum it shall review (1) Education; (2) Health and Social Services; (3) Natural Resources and Environmental Services; (4) Cultural; (5) Regulatory; and (6) Transportation. This review, including an estimate of cost savings must be submitted to the Chairman of the Senate Finance Committee and the Chairman of the House of Representatives Ways and Means Committee ~~by December 10, 2010.~~

- 89.122 AMEND NEW PROVISO** (First Steps Transfer) **WMC:** ADD new proviso to direct that all State funds for BabyNet directly appropriated to the following agencies be transferred to the S.C. First Steps to School Readiness which shall administer the funds as the program's designated lead agency: DDSN, DHEC, and School for the Deaf and the Blind. Direct that all filled positions at DHEC associated with the BabyNet program also be transferred to First Steps. Authorize these funds to be contracted to partner agencies as appropriate and necessary for cost effective delivery of early intervention services.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

HOU: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to delete reference to DDSN and authorize the transfer of all medical and educational records from DHEC, the former lead agency, to First Steps.

89.122. (GP: First Steps Transfer) In accordance with federal requirements establishing a single line of authority over the Individuals with Disabilities Education Act, Part C, all State funds directly appropriated for BabyNet under ~~the Department of Disabilities and Special Needs~~, the Department of Health and Environmental Control, and the School for the Deaf and the Blind, as well as all filled positions under the Department of Health and Environmental Control for the BabyNet program, during the current fiscal year shall be transferred to, and administered by, the South Carolina First Steps to School Readiness as the program's designated lead agency. These funds may then be contracted to partner agencies as appropriate and necessary to ensure the cost-effective delivery of early intervention services.

All original medical and educational records created by the former lead agency, the Department of Health and Environmental Control, for documenting services to clients currently enrolled in BabyNet and who are continuing to receive services shall be transferred to First Steps, as designated lead agency and records custodian. All state and federal laws applicable to these records shall remain in effect, and First Steps shall make these records available to the Department of Health and Environmental control for audit and other purposes as necessary.

- 89.126 AMEND NEW PROVISO** (Opt Out of Federal Patient Protection and Affordable Care Act)
WMC: ADD new proviso to direct that if federal law permits, the state opts out of specific provisions of the federal Patient Protection and Affordable Care Act (PL 111-148).
HOU: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to delete reference to "Section 1561" and "subtitle C of Title II." Requested by Department of Health and Human Services.

89.126. (GP: Opt Out of Federal Patient Protection and Affordable Care Act) If federal law permits, the State of South Carolina opts out of the following provisions in the federal Patient Protection and Affordable Care Act (Public Law 111-148):

(1) Subtitles A through C of Title I (and the amendments made by such subtitles), except for Sections 1253 and 1254;

(2) Parts I, II, III, and V of subtitle D of Title I (and the amendments made by such parts);

(3) Part I of subtitle E of Title I (and the amendments made by such part);

(4) Subtitle F of Title I (and the amendments made by such subtitle);

~~(5) Section 1561 (and the amendments made by such section);~~

~~(6) Sections 2001 through 2006 and subtitle C of Title II (and the amendments made by such sections and subtitle); and~~

~~(7) Sections 10101 through 10107 (and the amendments made by such sections).~~

- 89.127 DELETE NEW PROVISO** (Transfer DMH Veterans Services to Lt Gov Ofc on Aging)
WMC: ADD new proviso to transfer for the current fiscal year and effective July 1, 2011, the duties, functions, responsibilities, personnel, funding, and physical assets of the Veteran's

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

Services Program that consists of the Stone Pavilion, the Campbell Veterans Home and the Veterans' Victory House from the Department of Mental Health to the Lieutenant Governor's Office on Aging. Require the transferred funds to be administered separately from other programs within the office and that the funds be used exclusively for the Veteran's Services Program. Direct that the Stone Pavilion shall remain under DMH's purview until the Office on Aging issues a RFP and awards a contract to oversee the Stone Pavilion. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~89.127. (GP: Transfer DMH Veterans Services to Lt. Gov Ofc on Aging) For the current fiscal year, effective July 1, 2011, the duties, functions, responsibilities, personnel, funding, and physical assets of the Veteran's Services Program consisting of the Stone Pavilion, the Campbell Veterans Home and the Veterans' Victory House, located within the Department of Mental Health are transferred to the Lieutenant Governor's Office on Aging. These funds must be administered separately from other programs within the office and must be expended for the exclusive use of the Veteran's Services Program. However, until such time as the Office on Aging has issued a Request for Proposal and awarded a contract to oversee the Stone Pavilion, it shall remain under the purview of the Department of Mental Health.~~

- 89.128 AMEND NEW PROVISO** (Means Test) **WMC:** ADD new proviso to require all agencies that provide Healthcare Services to identify standards and criteria to means test all waivers and programs they provide, if federal guidelines allow such a test. Direct an agency, once consistent criteria has been established, to implement their plan. Require each agency to report criteria and fiscal data to the Chairmen of the Senate Finance and House Ways and Means Committees by January 1, 2012.

HOU: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to delete the requirement that "waivers" be means tested.

~~89.128. (GP: Means Test) All agencies providing Healthcare Services are directed to identify standards and criteria for means testing on all waivers and programs provided, where allowed by Federal guidelines. Once a consistent criteria has been established within an agency, they shall implement their respective plans. Each agency shall report all criteria and fiscal data to the Chairman of the Senate Finance Committee and to the Chairman of the House Ways and Means Committee no later than January 1, 2012.~~

- 89.129 DELETE NEW PROVISO** (Transfer DAODAS to DMH) **WMC:** ADD new proviso to transfer, for the current fiscal year, effective July 1, 2011, the duties, functions, responsibilities, personnel, funding, and physical assets of the Department of Alcohol and Other Drug Abuse Services to the Department of Mental Health.

HOU: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~89.129. (GP: Transfer DAODAS to DMH) For the current fiscal year, effective July 1, 2011, the duties, functions, responsibilities, personnel, funding and physical assets of the~~

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

~~Department of Alcohol and Other Drug Abuse Services are transferred to the Department of Mental Health.~~

- 89.137** **ADD** (Guardian ad Litem Study Committee) **WMC:** ADD new proviso to establish a Guardian ad Litem Study Committee to bring accountability and transparency to the guardian ad litem system. Direct the committee to determine the efficacy of administration of the volunteer Guardian ad Litem Program within DSS and to analyze the program's ability to advocate in a transparent and independent manner for abused and neglected children within the DSS structure. Direct the committee to also determine ways to monitor performance and establish accountability of guardians appointed in private actions before the family court where custody or visitation of a minor child is an issue, including certification and oversight. Provide for composition of the study committee and direct that members shall serve without compensation. Direct that a status report be provided on the committee's findings and recommendations by January 10, 2012 to the Chairmen of the Senate Finance and House Ways and Means Committees. Fiscal Impact: No impact on the General Fund.
HOU: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

89.137. (GP: Guardian ad Litem Study Committee) For the current fiscal year, effective July 1, 2011, in order to bring accountability and transparency to the guardian ad litem process, a Guardian ad Litem Study Committee shall be established to determine:

1) the efficacy of administration of the volunteer Guardian ad Litem Program within the Department of Social Services. The study shall analyze the Guardian ad Litem Program's ability to advocate in a transparent and independent manner for abused and neglected children within the structure of the Department of Social Services.

2) ways in which to monitor performance and establish accountability of guardians ad litem appointed in private actions before the family court in which custody or visitation of a minor child is an issue, including certification and oversight.

The Guardian ad Litem Study Committee shall be composed of the following members: Director of Social Services, or her designee; Director of the Guardian ad Litem Program, or her designee; a member of the Joint Legislative Committee on Children appointed by the Chairman of the committee; Director of the SC Bar, or his designee; one volunteer guardian ad litem in good standing with the SC Guardian ad Litem Program, to be appointed by the Governor; and one private guardian ad litem in good standing with the family court, to be appointed by the Governor. Members appointed by the Governor must not be employees of the State of South Carolina. Members shall serve at the pleasure of the appointing authority. The Director of the Department of Social Services and the Director of the Guardian ad Litem Program shall serve as co-chairs. Members of the study committee shall serve without compensation.

The study committee shall provide a report on the status of their findings and recommendations to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by January 10, 2012.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

- 89.147 AMEND NEW PROVISO** (Child Care Licensing and Inspections) **HOU:** ADD new proviso to transfer the statutory and regulatory functions of licensing and inspecting child care centers, including the imposition of fees authorized by law and regulation, from DHEC to DSS. Authorize DSS to retain the revenue generated from these fees to defray child care licensing and inspection expenses. Sponsor: Rep. Erickson.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to delete the transfer of responsibilities and instead direct the DHEC and DSS directors to collaborate and develop a plan to consolidate regulatory and licensing functions for child care centers and to submit the plan by December 1, 2011 to specific committees of the General Assembly.

89.147. (GP: Child Care Licensing and Inspections) For the current fiscal year, ~~the statutory and regulatory functions of the Department of Health and Environmental Control with respect to the licensing and inspections of child care centers are transferred to and shall be performed by the Department of Social Services. The authority to impose fees authorized by law and regulation by the Department of Health and Environmental Control on child care centers for the department's functions with respect to the licensing and inspections of child care centers continue in effect for the current fiscal year, but is transferred to the Department of Social Services. The revenue of the fees must be retained by the Department of Social Services to defray its expenses incurred in the current fiscal year in exercising the transferred child care licensing and inspection functions~~ the directors of the Department of Health and Environmental Control and the Department of Social Services shall collaborate and develop a plan for consolidation of the regulatory and licensing functions for child care centers. The directors shall submit the plan no later than December 1, 2011, to the following committees: Senate General, Senate Medical Affairs, and House Medical, Military, Public and Municipal Affairs.

- 89.148 DELETE NEW PROVISO** (Nursing Home Permit Laws) **HOU:** ADD new proviso to direct DHEC to suspend enforcement of certain provisions of the Medicaid Nursing Home Permit Law as required by Sections 44-7-80 [MEDICAID NURSING HOME PERMITS-DEFINITIONS], 44-7-82 [PERMIT REQUIREMENT], 44-7-84 [DETERMINATION AND ALLOCATION OF MEDICAID NURSING HOME PATIENT DAYS; APPLICATION FOR PERMIT; RULES AND REGULATIONS], 44-7-88 [INVOLUNTARY DISCHARGE OR TRANSFER OF MEDICAID NURSING HOME PATIENTS PROHIBITED; REQUEST FOR WAIVER OF PERMIT REQUIREMENTS], and 44-7-90 [VIOLATIONS OF SECTIONS 44-7-80 THROUGH 44-7-90; PENALTIES]. Prohibit DHEC from penalizing or fining a facility that has provided fewer Medicaid patient days than allowable. Prohibit DHEC from transferring or adding additional days to any facility during FY 11-12. Direct DHEC to proportionately decrease the authorized Medicaid days for each nursing home if DHHS decreases the number of days available to DHEC and if additional days are authorized, to restore them in the same manner. Suspend Section 44-7-88 for FY 11-12. Allow nursing homes to discharge a resident due to payment source and Medicaid permit requirements. Sponsor: Rep. White.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: DELETE new proviso. A Joint Resolution will be filed that combines amendments to provisos 89.148 and 89.156 to be considered in conjunction with H.3700, FY 2011-12 Appropriation Bill.

~~89.148. (GP: Nursing Home Permit Laws) For the current fiscal year the Department of Health and Environmental Control shall suspend enforcement of certain provisions of the Medicaid Nursing Home Permit Law as required by Sections 44-7-80, 44-7-82, 44-7-84, 44-7-88, and 44-7-90. The Department of Health and Environmental Control shall not penalize or fine a facility which has provided fewer Medicaid patient days than allowable under the Medicaid Permit Program. The department may not transfer or add additional days to any facility during Fiscal Year 2011-2012. Should the Department of Health and Human Services decrease the number of days available to the Department of Health and Environmental Control, they shall proportionately decrease the authorized Medicaid days for each nursing home. Should additional days be authorized, they shall be restored in the same manner. Section 44-7-88 is hereby suspended for Fiscal Year 2011-2012. Notwithstanding any other provision of law, nursing homes may discharge a resident due to payment source and Medicaid permit requirements.~~

89.156 DELETE NEW PROVISO (Staffing Standards for Nursing Home) **HOU:** ADD new proviso to direct the following nursing home staffing standards be enforced: nursing homes shall provide sufficient non-licensed nursing staff for a minimum of 1.63 hours of direct care per resident per day; nursing homes shall have one licensed nurse per shift for each staff work area. Direct that all other staffing & non-staffing standards established in Standards for Licensing Nursing Homes 24A S.C. Code Ann. Regs 61-17 shall be enforced. Sponsor: Rep. Cooper.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: DELETE new proviso. A Joint Resolution will be filed that combines amendments to provisos 89.148 and 89.156 to be considered in conjunction with H.3700, FY 2011-12 Appropriation Bill.

~~89.156. (GP: Staffing Standards for Nursing Home) For the current fiscal year, in the course of regulating nursing homes, staffing standards shall be enforced as follows: the nursing home shall provide non-licensed nursing staff to provide a minimum of one and sixty three hundredths (1.63) hours of direct care per resident per day. There shall be one licensed nurse per shift for each staff work area. All other staffing standards and non-staffing standards established in Standards for Licensing Nursing Homes: 24A S.C. Code Ann. Regs. 61-17 (Supp. 2008), shall be enforced as written.~~

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

89.crc **ADD** (Complaint Intake, Referral and Case Resolution) **PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the Human Affairs Commission to request assistance from the Department of Consumer Affairs in maintaining compliance with the Fair Housing Law, Public Accommodations Act, and the Human Affairs Law.

89.crc. (GP: Complaint Intake, Referral and Case Resolution) Upon the request of the Human Affairs Commission, the Department of Consumer Affairs shall provide necessary assistance in conducting complaint intake, referral, and case resolution processes in order to maintain compliance with the South Carolina Fair Housing Law, Public Accommodations Act, and the South Carolina Human Affairs Law.

89.ltc **ADD** (Long Term Care Task Force) **PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to create the Task Force on Long Term Care Accessibility. Direct that the purpose of the Task Force is to assess the needs of the state's Long Term Care System and the impact of long term care on the Medicaid program. Direct that the Task Force submit their recommendations to the General Assembly by June 30, 2012.

89.ltc. (GP: Long Term Care Task Force) For Fiscal Year 2011-12, there is created the Task Force on Long Term Care Accessibility to assess the needs of the state's long term care system and the impact of long term care to the Medicaid program. The assessment should include, but is not limited to, the identification of cost containment efficiencies, identification of duplication, waste, fraud, and abuse, and coordination of access to long term care resources.

The Task Force shall be composed of seven voting members. All members appointed must have substantial academic, professional, or personal experience in long term care services and support. The Task Force must be comprised of the following: one member appointed by the Chairman of the Senate Finance Committee, one member appointed by the Chairman of the Senate Medical Affairs Committee, one member appointed by the Chairman of the House Ways and Means Committee, one member appointed by the Chairman of the House Medical, Military, Public and Municipal Affairs Committee, three members appointed by the Governor, one of whom must be a representative of nursing home service providers and one of whom must be a representative of home and community based service providers and the third member appointed by the Governor shall serve as chairman, and the Directors of the Department of Health and Human Services, Department of Disabilities and Special Needs, Department of Mental Health, and the Lieutenant Governor's Office on Aging or their designees shall serve as ex-officio members. Initial appointments to the task force must be made within thirty days of the start of the fiscal year. The initial meeting of the task force must be convened by the appointee of the Chairman of the Senate Finance Committee.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

Members of the task force shall serve without mileage, per diem, and subsistence. The South Carolina Public Health Institute shall provide research, staffing assistance, and other information that is required to assist in the work of the task force.

An advisory panel may be convened by invitation of the task force to provide the task force with information and recommendations. Members of the advisory panel must have substantial academic, professional, or personal experience in long term care services and supports.

The Task Force shall present a written report with recommendations on improving coordination of access to long term care resources, promotion of independence through consumer choices, cost containment, and identification of duplication, waste, fraud, and abuse to the General Assembly by June 30, 2012.

89.smm ADD (State Medicaid Match) **PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that state agencies that have not been assessed a base reduction, shall transfer unneeded match resulting from Medicaid rate reductions to the Department of Health & Human Services.

89.smm. (GP: State Medicaid Match) Any agency appropriated state funds identified for Medicaid match that is not assessed a base reduction in this Act and receives a reduction in Medicaid rates for Fiscal Year 2011-12, shall transfer the resulting unneeded match to the Department of Health and Human Services within 90 days of the effect of the rate reduction for the sole purpose of reducing reimbursement reductions which may be implemented in the private provider program.

SECTION 90 - X91-STATEWIDE REVENUE

90.3 AMEND (Tobacco Settlement) Directs the State Treasurer, upon approval of the Tobacco Settlement Revenue Management Authority and parties to the trust agreement, to transfer \$10,000,000 from the unrestricted taxable proceeds portion of the principal of the Healthcare Tobacco Settlement Trust Fund to the Department of Health and Human Services to be spent for Medicaid. Authorizes the State Treasurer to transfer to the Attorney General, from funds available to the Tobacco Settlement Management Authority, amounts necessary for further enforcement of the Tobacco Escrow Fund Act, which will protect payments to the State under the Master Settlement Agreement. Authorizes and directs the State Treasurer to transfer up to \$1,200,000 to the General Fund from funds available to the Tobacco Settlement Revenue Management Authority to reimburse amounts previously appropriated for Tobacco Arbitration Settlement pursuant to Proviso 73.14(B) item 99 of Act 397 of 2006. Directs that any remaining balance from the appropriation be remitted to the General Fund, but limits the combined transfer and reimbursement to not more than \$1,200,000.

WMC: AMEND proviso to delete requirement to reimburse the General Fund up to \$1,200,000 from amounts previously appropriated for Tobacco Arbitration Settlement. *Transfer and reimbursement have been completed.* Fiscal Impact: No impact on the General Fund. One-time transfer. Requested by State Treasurer's Office.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

HOU: ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

90.3. (SR: Tobacco Settlement) Contingent upon the approval of the Tobacco Settlement Revenue Management Authority and parties to the trust agreement, the State Treasurer shall transfer an amount equal to \$10,000,000 from the unrestricted taxable proceeds portion of the principal of the Healthcare Tobacco Settlement Trust Fund established pursuant to Section 11-11-170(B)(1) of the 1976 Code to the Department of Health and Human Services to be expended as follows: \$10,000,000 for Medicaid. The State Treasurer is authorized and directed to transfer to the Office of the Attorney General from funds available to the Tobacco Settlement Management Authority such amounts as shall be necessary for the enforcement of Chapter 47 of Title 11, The Tobacco Escrow Fund Act, which will protect the payments to the State under the Master Settlement Agreement. ~~The State Treasurer is further authorized and directed to transfer to the General Fund from funds available to the Tobacco Settlement Revenue Management Authority up to \$1,200,000 to reimburse amounts previously appropriated for Tobacco Arbitration Settlement pursuant to Proviso 73.14(B) item 99 of Act 397 of 2006. Any remaining balance from the appropriation shall be remitted to the General Fund, but the combined transfer and reimbursement shall not total more than \$1,200,000.~~

90.6 **REINSERT** (LGF) Suspends Section 6-27-30 [FUNDING OF LOCAL GOVERNMENT FUND FROM GENERAL FUND REVENUES] for the current fiscal year.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso.

90.6. (SR: LGF) For the current fiscal year, Section 6-27-30 of the 1976 Code is suspended.

90.8 **DELETE** (Repayment of Deficit) Directs the State Treasurer to transfer, specific sources of revenue for the repayment of the FY 08-09 general operating fund deficit prior to the close of books for FY 09-10 and directs expenditure of any remaining funds from identified sources to be transferred to the General Reserve Fund.

WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

90.8. (SR: Repayment of Deficit) ~~The State Treasurer is directed to transfer, prior to the close of the books for Fiscal Year 2009-10, the sources of revenue identified in this provision for the repayment of the Fiscal Year 2008-09 general fund operating deficit. The transfers are to be made in the following priority order as funds are available:~~

~~(1) Excess Fiscal Year 2009-10 general fund revenue above the statewide adjusted agency appropriations;~~

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

~~(2) \$2,500,000 from P16 — Department of Agriculture, Subfund 3079, Renewable Energy Infrastructure Development Fund;~~

~~(3) \$9,431,724 from F03 — Budget and Control Board, Subfund 3146; and~~

~~(4) \$7,341,716 from F03 — Budget and Control Board, Fiscal Year 2009-10 Educational Broadband Spectrum Lease receipts.~~

~~Upon the complete repayment of the Fiscal Year 2008-09 general fund operating deficit any remaining funds from sources (2) through (4) are to be transferred in Fiscal Year 2010-11 to the General Reserve Fund.~~

~~From the escrow account established pursuant to Proviso 90.13 of Act 310 of 2008, there shall remain \$4,300,000 in the account to offset any operating shortfalls resulting from the Barnwell Low Level Waste Facility operations in order to preserve the economic viability of the facility. The amount distributed to offset any operating shortfalls shall be determined by calculating the difference between the allowable operating costs plus adjustments as approved by the Public Service Commission, and the access fees paid by the Atlantic Compact generators. Funds remaining in the account to offset operating shortfalls may also be used to maintain access fees to the facility for Fiscal Year 2010-11 at the Fiscal Year 2009-10 level. The Budget and Control Board may authorize the expenditure of funds, not to exceed \$700,000, from the escrow account for any actions taken by the Attorney General's Office and expenses associated with such actions relating to the Nuclear Waste Policy Act of 1982. The Attorney General's Office is authorized to retain, expend, and carry forward these funds for the Yucca Mountain suit on the behalf of the State of South Carolina. The Attorney General's Office is authorized to use a portion of these funds to reimburse the office for any Yucca Mountain expenses incurred in the prior fiscal year. There shall also be paid from the escrow account the annual dues of the Southern States Energy Board.~~

90.11 DELETE (Health Care Maintenance of Effort Funding) Directs that the source of funds in this provision is \$121,348,857 from the Health Care Annualization and Maintenance of Effort Fund and directs the State Treasurer to disburse specific appropriations by September 1, 2010 for the purposes stated.

WMC: DELETE proviso. *Non-recurring proviso was for FY 2010-11.* Fiscal Impact: No impact on the General Fund.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

90.11. (SR: Health Care Maintenance of Effort Funding) ~~(A) The source of funds appropriated in this provision is \$121,348,857 from the Health Care Annualization and Maintenance of Effort Fund. By this provision these funds are deemed to have been received and are available for appropriation.~~

~~(B) The State Treasurer shall disburse the following appropriations by September 1, 2010, for the purposes stated:~~

~~(1) Part IA State General Fund.....\$ 71,685,517;~~

~~(2) L04 Department of Social Services~~

~~Child Support Enforcement Penalties and~~

~~Development.....\$ 18,677,849;~~

~~The below funds shall be disbursed for the purpose of agency operating expenses.~~

~~(3) J12 Department of Mental Health.....\$ 9,500,000;~~

~~(4) J16 Department of Disabilities and Special Needs\$ 21,385,491;~~

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

~~The Department of Disabilities and Special Needs shall utilize \$1,250,000 of the above \$21,385,491 for Early Intervention for three to five year olds.~~

~~(5) L24 Commission for the Blind.....\$ 100,000.~~

~~If the balance of the Fund exceeds the total amount appropriated in this provision, the excess funds shall be appropriated to the Department of Health and Human Services for Medicaid Maintenance of Effort. If the balance of the Fund is less than the total amount appropriated in this provision, the appropriation to the Department of Health and Human Services shall be reduced by a corresponding amount.~~

~~(C) Unexpended funds appropriated pursuant to this provision may be carried forward to succeeding fiscal years and expended for the same purposes.~~

- 90.13 DELETE** (Pfizer Settlement) Directs the Attorney General to transfer to the Department of Health and Human Services for Medicaid Maintenance of Effort, all funds received from the state's settlement agreement with Pfizer Incorporated.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**90.13.** (SR: Pfizer Settlement) The Attorney General is directed to transfer all funds received as a result of the state's settlement agreement with Pfizer Incorporated to the Department of Health and Human Services for Medicaid Maintenance of Effort.~~

- 90.14 DELETE** (Health and Human Services Funding) Directs that the source of funds in this proviso is \$234,886,144 of HHS general fund appropriations, carry forward funds, earmarked and restricted special revenue funds, and unobligated state match funds resulting from the extension of the increased FMAP. Directs all agencies, unless specifically exempted by another provision, to transfer unobligated state match funds resulting from receipt of the increased FMAP from July 1, 2010 to December 31, 2010 to HHS. Directs HHS to transfer \$49,107,658 to the General Fund by December 31, 2010 and to disburse the funds to specific agencies. Directs HHS to retain unobligated state match resulting from the increased FMAP in excess of the funds appropriated and to use these funds for the Medicaid Maintenance of Effort.

WMC: DELETE proviso. *Non-recurring proviso was for FY 2010-11.* Fiscal Impact: No impact on the General Fund.

HOU: ADOPT deletion of proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**90.14.** (SR: Health and Human Services Funding) The source of funds appropriated in this provision is \$234,886,144 of Department of Health and Human Services general fund appropriations, carry forward funds, earmarked and restricted special revenue fund accounts, and unobligated state match funds resulting from the extension of the increased Federal Medical Assistance Percentage. All agencies, unless specifically exempt by another provision contained in this act, shall transfer unobligated state match funds resulting from the receipt of the increased Federal Medical Assistance Percentage from July 1, 2010 to December 31, 2010 to the Department of Health and Human Services.~~

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

Of these funds the Department of Health and Human Services shall transfer \$49,107,658 to the General Fund of the state no later than December 31, 2010.

~~Of these funds the department is directed to disburse the following appropriations for the purposes stated:~~

- ~~1. Department of Health and Human Services
Medicaid Maintenance of Effort\$ 162,778,486;~~
- ~~2. Department of Disabilities and Special Needs
Agency Operating Expenses.....\$ 19,000,000; and~~
- ~~3. Department of Social Services
Therapeutic Foster Care\$ 4,000,000.~~

~~Any unobligated state match funds resulting from the receipt of the increased Federal Medical Assistance Percentage in excess of the funds appropriated above shall be retained by the Department of Health and Human Services for Medicaid Maintenance of Effort.~~

- 90.16 AMEND NEW PROVISO / CONFORM TO FUNDING** (Health Care Maintenance of Effort Funding) **WMC:** ADD new proviso to direct that the source of funds in this provision is \$157,299,845 from the 50 cent cigarette surcharge collected in FY 10-11 and FY 11-12 and deposited in the SC Medicaid Reserve Fund. Direct the Department of Health and Human Services to use these funds for the Medicaid Program's maintenance of effort. Require residual funds from the surcharge to remain in the fund and authorize the director of the HHS to use the funds to ensure access to care. Authorize unexpended funds appropriated by this provision to be carried forward and used for the same purpose.

HOU: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to require the department, within 90 days after the fiscal year begins, to develop methods and criteria to determine how access issues will be identified, assessed, and addressed. Require the Chairmen of the Senate Finance and House Ways and Means Committees to be notified 30 days before the funds may be used. CONFORM to funding recommendation.

90.16. (SR: Health Care Maintenance of Effort Funding) The source of funds appropriated in this provision is \$157,299,845 from the revenue collected during Fiscal Year 2010-11 and Fiscal Year 2011-12 from the 50 cent cigarette surcharge and deposited into the SC Medicaid Reserve Fund and shall be utilized by the Department of Health and Human Services for the Medicaid Program's maintenance of effort. By this provision these funds are deemed to have been received and are available for appropriation.

The residual funds from the cigarette surcharge shall remain in the S.C. Medicaid Reserve Fund and may be used by the director of the Department of Health and Human Services to ensure access to care. Within 90 days of the start of the fiscal year, the department shall develop methods and criteria for determining how access issues will be identified, assessed and addressed. Any use of these funds shall require 30 days prior notice to the Chairmen of the Senate Finance and House Ways and Means Committees

Unexpended funds appropriated pursuant to this provision may be carried forward to succeeding fiscal years and expended for the same purposes.

- 90.17 ADD (ARRA) WMC:** ADD new proviso to state that pursuant to the State Stabilization Fund Program established by Title IV of ARRA of 2009, \$501,948 of federal funds are authorized for appropriation and transferred to the School for the Deaf and the Blind and direct the Office of State Budget to increase the agency's federal fund authorization. Direct that these funds

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

must be used in a manner consistent with the State Fiscal Stabilization Fund established by ARRA.

HOU: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

90.17. (SR: ARRA Funds) Pursuant to the State Fiscal Stabilization Fund Program established by Title IV of the American Recovery and Reinvestment Act of 2009 (ARRA), \$501,948 of federal funds are authorized for appropriation pursuant to this provision. \$501,948 shall be transferred to the School for the Deaf and the Blind to supplement appropriations made for the expenses of state government in the annual general appropriation act for Fiscal Year 2011-12 and the Office of State Budget is directed to increase agency federal fund authorization for funds from the State Budget Stabilization Fund allocated herein.

For purposes of the expenditures authorized by this provision, the funds must be used in a manner consistent with the provisions of the State Fiscal Stabilization Fund established by the American Recovery and Reinvestment Act of 2009 and the provisions of this act.

90.18 AMEND NEW PROVISO / CONFORM TO FUNDING (Nonrecurring Revenue) WMC: ADD new proviso to direct that the source of revenue in this provision is \$150,804,144 of non-recurring revenue transferred to the State Treasurer's Office as follows: \$71,000,600 from FY 09-10 Contingency Reserve Fund; \$68,803,544 from FY 10-11 BEA certified unobligated general fund revenue; \$1,000,000 from F03, B&C Board, Subfund 4154, Ordinary Sinking Fund; \$3,000,000 from F03, B&C Board, Subfund 3197, Motor Pool; and \$7,000,000 from R40, DMV earmarked or restricted accounts designated as "special revenue funds." Direct that these funds be available for use in FY 11-12 after the close of the state's books on FY 10-11 and that the transfers occur no later than 30 days after the close of the books. Direct that restrictions concerning use of these funds are lifted for FY 11-12. Direct the State Treasurer to disburse the following appropriations by 9-30-11: \$97,174,107 to SDE for EFA Base Student Cost; \$3,000,000 to SDE for Transportation; \$591,019 to CHE for SREB Dues; \$1,000,000 to State Bd. for Tec and Comp Ed for the CATT Program; \$45,553,657 to DHHS for Medicaid Maintenance of Effort; \$250,000 to Clemson University-PSA for Agency Operations; \$750,000 to S.C. Conservation Bank; and \$2,485,361 to B&C Board for SCEIS - Statewide Implementation. Authorize unexpended funds to be carried forward and used for the same purpose. Direct that excess FY 10-11 general fund revenue be transferred to the S.C. Medicaid Reserve Fund. Authorize DMV to suspend the license plate replacement interval until the funds transferred from the department are repaid or until the Plate Replacement Fee Fund has a sufficient balance to reinstitute license plate replacement. Direct that funds remaining in the escrow account established pursuant to Proviso 90.13 of Act 310 of 2008 be used to offset any operating shortfalls resulting from the Barnwell Low Level Waste Facility operations. Direct that funds distributed to offset any shortfall be determined by calculating the difference between the allowable operating costs plus adjustments as approved by the PSC, and the access fees paid by the Atlantic Compact generators. Direct that these funds also be used to maintain access fees to the facility for FY 11-12 at the FY 09-10 level and also be used to pay Southern States Energy Board annual dues.

HOU: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to direct that the \$7 million from DMV shall only be transferred to the State Treasurer if the funds transferred from DMV by Proviso 90.10 of Act 291 of 2010 have been repaid pursuant to

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

Proviso 90.9 of Act 291 of 2010. Provide a contingency directive for the appropriations in this provision to be reduced pro-rata if the identified amount of FY 10-11 unobligated general fund revenue is not realized and if the \$7 million is not transferred from DMV. CONFORM to funding.

90.18. (SR: Nonrecurring Revenue) (A) The source of revenue appropriated in this provision is \$150,804,144 of non-recurring revenue generated from the following sources, transferred to the State Treasurer. This revenue is deemed to have occurred and is available for use in Fiscal Year 2011-12 after September 1, 2011, following the Comptroller General's close of the state's books on Fiscal Year 2010-11.

(1) \$71,000,600 from Fiscal Year 2009-10 Contingency Reserve Fund;

(2) \$68,803,544 from Fiscal Year 2010-11 unobligated general fund revenue as certified by the Board of Economic Advisors;

(3) \$1,000,000 from F03, Budget and Control Board, Subfund 4154, Ordinary Sinking Fund;

(4) \$3,000,000 from F03, Budget and Control Board, Subfund 3197, Motor Pool; and

(5) \$7,000,000 from R40, Department of Motor Vehicles from any earmarked or restricted account designated as "special revenue funds" as defined by the Comptroller General's records **if the funds transferred from the Department of Motor Vehicles by Proviso 90.10 of Act 291 of 2010 have been repaid pursuant to Proviso 90.9 of Act 291 of 2010.**

Any restrictions concerning specific utilization of these funds are lifted for the specified fiscal year.

The above agency transfers shall occur no later than thirty days after the close of the books on Fiscal Year 2010-11 and shall be available for use in Fiscal year 2011-12.

(B) The State Treasurer shall disburse the following appropriations by September 30, 2011, for the purposes stated:

(1) H63-Department of Education

(a) EFA Base Student Cost.....\$ 97,174,107;

(b) Transportation.....\$ 3,000,000;

(2) H03-Commission on Higher Education

SREB Dues.....\$ 591,019;

(3) H59-State Board for Technical and Comprehensive Education

CATT Program.....\$ 1,000,000;

(4) J02-Department of Health and Human Services

Medicaid Maintenance of Effort.....\$ 45,553,657;

(5) P20-Clemson University-PSA

Agency Operations\$ 250,000;

(6) P40-S.C. Conservation Bank.....\$ 750,000; and

(7) F03-Budget and Control Board

SCEIS - Statewide Implementation.....\$ 2,485,361.

Unexpended funds appropriated pursuant to this provision may be carried forward to succeeding fiscal years and expended for the same purposes.

Any excess Fiscal Year 2010-11 general fund revenue above the amounts appropriated in this provision shall be transferred to the S.C. Medicaid Reserve Fund.

In the event that the Fiscal Year 2010-11 unobligated general fund revenue as certified by the Board of Economic Advisors does not total at least \$68,803,544 and \$7,000,000 is not transferred from the Department of Motor Vehicles, the appropriations in this provision shall be reduced on a pro-rata basis by an amount sufficient to cover the amounts not realized.

**SENATE FINANCE COMMITTEE
PROVISO REVIEW SUBCOMMITTEE
HEALTH AND HUMAN SERVICES RECOMMENDATIONS
FOR FISCAL YEAR 2011-12**

(C) For Fiscal Year 2011-12, the license plate replacement interval is suspended until the funds transferred from the department within this provision are repaid to the department or until such time as the Plate Replacement Fee Fund has a sufficient balance to reinstitute license plate replacement.

(D) From the escrow account established pursuant to Proviso 90.13 of Act 310 of 2008, the remaining funds shall be used to offset any operating shortfalls resulting from the Barnwell Low Level Waste Facility operations in order to preserve the economic viability of the facility. The amount distributed to offset any operating shortfalls shall be determined by calculating the difference between the allowable operating costs plus adjustments as approved by the Public Service Commission, and the access fees paid by the Atlantic Compact generators. Funds remaining in the account to offset operating shortfalls shall also be used to maintain access fees to the facility for Fiscal Year 2011-12 at the Fiscal Year 2009-10 level. There shall also be paid from the escrow account the annual dues of the Southern States Energy Board.