

## 70.21 SUBSTITUTE

### LEGISLATIVE, EXECUTIVE AND LOCAL GOVERNMENT SUBCOMMITTEE PACKAGE

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**70.21. (LEG: Joint Strategic Technology Committee)** (A) There is created the Joint Strategic Technology Committee. The committee shall consist of the following: (1) four members appointed by the Chairman of the Senate Finance Committee, at least two of whom must be appointed from the Senate Finance Committee, (2) four members appointed by the Chairman of the House Ways and Means Committee, at least two of whom must be appointed from the House Ways and Means Committee, (3) one member appointed from the general public by the Chairman of the Senate Finance Committee, and (4) one member appointed from the general public by the Chairman of the House Ways and Means Committee. Members appointed from the general public must possess substantial experience in the management and use of information technology in a large private enterprise. No member may have an economic interest in an information technology procurement with the state, and no member of the committee may have a family member or association with a business that has an economic interest in a technology procurement with the state. Should such an interest arise after appointment, the member is disqualified from further service on the committee and must give immediate written notice to the committee and the authority making his appointment. There is created a joint committee of the General Assembly to be known as the Joint Strategic Technology Committee consisting of eight members. The Chairman of the Senate Finance Committee shall appoint four members, at least two of whom must be appointed from the Senate Finance Committee. The Chairman of the House Ways and Means Committee shall appoint four members, at least two of whom must be appointed from the House Ways and Means Committee.

(B) The Budget and Control Board, in consultation with the Agency Directors Technology Advisory Committee, shall prepare a Statewide Strategic Information Technology Plan to provide strategic direction for information technology management in state government. State agencies are directed to cooperate with the Budget and Control Board and Agency Directors Technology Advisory Committee in preparation of the statewide plan.

The Joint Strategic Technology Committee shall have the following purposes and responsibilities:

(C) (4) The joint committee shall review the Statewide Strategic Information Technology Plan prepared by the Budget and Control Board and the Agency Directors Technology Advisory Committee and, as needed, make recommendations to the Senate Finance Committee and the House Ways and Means Committee regarding the plan by January twenty-ninth, of the current fiscal year. The joint committee shall also recommend priorities for state government enterprise information technology projects and resource requirements as it determines appropriate;—The joint committee shall recommend to the President Pro Tempore of the Senate and the Speaker of the House of Representatives, for referral to the appropriate standing committees, any statutory changes appropriate for the successful implementation of the Statewide Strategic Information Technology Plan and the efficient and effective management and use of information technology by state government.

(2) The joint committee shall review information technology spending by state agencies and evaluate whether greater efficiencies, more effective services and cost savings can be achieved through streamlining, standardizing and consolidating state agency information technology. State agencies must consult with hardware maintenance manager vendors under state contract to determine whether the agency may achieve cost savings by utilizing these contracts for information technology. A report by agency of these findings must be provided to the joint committee by the Budget and Control Board. The joint committee shall recommend to the President Pro Tempore of the Senate and the Speaker of the

~~House of Representatives, for referral to the appropriate standing committees, any statutory changes appropriate for the successful implementation of the Statewide Strategic Information Technology Plan and the efficient and effective management and use of information technology by state government.~~

(D) The Statewide Strategic Information Technology Plan must be reviewed by the Budget and Control Board and Agency Directors Technology Advisory Committee by not later than November 15 each year and amended as needed, with amendments submitted to the joint committee for review by the fifteenth day of the immediately following January.

(E) By not later than September 15<sup>th</sup> of each year, state agencies must provide the Budget and Control Board their budget plans for information technology for the coming fiscal year. These plans must include all fixed, recurring information technology costs as well as new information technology expenditures for hardware upgrades/replacements, software purchases and new information technology projects regardless of funding sources. The budget information must also include FTE counts and salary information.

(F) The Budget and Control Board is directed to compile the information technology budget information into a report for the joint committee's review and recommendations to the Senate Finance Committee and the House Ways and Means Committee. The report must confirm requested funding and spending authorization are aligned with the Statewide Strategic Information Technology Plan and be designed to provide information to support House and Senate appropriations committees in analyzing funding requests, including but not limited to a validation of the cost to implement and operate major information technology systems. At the request of the joint committee, the Budget and Control Board may assist in the development of a consistent set of guidelines for submission of budget requests, which may include a business case, risk assessment and project plan to accompany funding requests for information technology projects that meet specific fiscal thresholds.

(G) The Budget and Control Board is also directed to recommend information technology projects to the joint committee for its periodic oversight according to project milestones, deliverables and key expenditures.

(H) The (1) SCEIS Executive Oversight Committee and (2) Budget and Control Board and ETV must report to the joint committee on the progress of the SCEIS project and Broadband lease, respectively, by not later than January 31 of each year.

(I) The Budget and Control Board and all state agencies shall cooperate with and provide assistance to the Joint Strategic Technology Committee as requested by the committee.

(J) The Executive Director of the Budget and Control Board shall appoint an Agency Directors Technology Advisory Committee. The Executive Director shall determine the number and composition of this committee, which shall represent a cross-section of state government agencies. This committee shall provide input and advice regarding the Statewide Strategic Information Technology Plan being developed by the State through the Budget and Control Board. The committee shall also assist and advise the Joint Strategic Technology Committee at its request.

## 76.af SUBSTITUTE

### LEGISLATIVE, EXECUTIVE AND LOCAL GOVERNMENT SUBCOMMITTEE PACKAGE

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76.af. (TREAS: Audit Finding Follow-Up) The State Treasurer is directed and empowered to: (a) follow up on audit findings issued by the ~~Legislative Audit Council~~, the Office of State Auditor, or any other independent audit involving the receipt or disbursement of state funds or achieving cost savings for the State or its agencies and institutions; (b) conduct additional audits or take other actions to ensure proper receipt and disbursement of state funds in accordance with legislative intent; and (c) contract for or conduct recovery audits designed to identify overpayments or erroneous payments to vendors.

The Legislative Audit Council shall notify the State Treasurer's Office of any recommendations involving cost savings. The State Treasurer may recover any amounts due the State agencies or institutions by seeking refunds, withholding future payments or distributions, or by whatever other actions the State Treasurer deems appropriate. Such may include appropriate legal action on behalf of the State as the Attorney General may approve, and including the participation of the Attorney General in the litigation or the hiring of any attorneys being subject to the prior approval of the Attorney General. All entities disbursing or receiving state funds shall cooperate with the State Treasurer in these activities. The State Treasurer shall deposit any funds collected by this provision in a separate account to be appropriated by the General Assembly, unless otherwise provided for by law. The State Treasurer may retain and expend a portion of any funds received to pay for costs associated with the management and enforcement of this provision. The State Treasurer shall report annually to the General Assembly on its management activities and cost recoveries regarding this directive.

## 80A.20 SUBSTITUTE

### LEGISLATIVE, EXECUTIVE AND LOCAL GOVERNMENT SUBCOMMITTEE PACKAGE

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**80A.20.** (BCB: Base Closure Carry Forward) Of the funds appropriated to the Budget and Control Board for the Base Closure Fund, up to a maximum of \$300,000 shall be carried forward into the current fiscal year and shall be used for the ~~same purpose~~ South Carolina Military Base Task Force. The Task Force shall coordinate efforts among the public and the private sectors to maintain a significant United States Department of Defense presence in South Carolina.

**SPONSOR: REPRESENTATIVE MERRILL**

**LEGISLATIVE DEPARTMENT**

**70.15.(LEG: Additional House Support Personnel)** The funds provided for Legislative/Constituent Services are appropriated for the purpose of providing additional support personnel to assist House members who are not already being furnished with direct legislative assistance in the conduct of their legislative responsibilities. This amount shall be used for staffing requirements where necessary for part time personnel. The additional personnel may be used only in compliance with Section 8-13-1346(A) of the South Carolina Code of Laws. At a member's request, the House Operations and Management Committee may use any unexpended portion of a member's allotment to purchase equipment for a member's office. The amount herein appropriated for additional support personnel shall be allocated to eligible members as follows: For fiscal years beginning in even years, an eligible member is allowed an allocation of \$500 beginning July 1, as approved by the Speaker of the House. An additional \$2,000 allotment, as approved by the Speaker of the House, is allowed when the eligible member's election to the upcoming General Assembly is certified or at the time the member is unopposed for the general election, whichever occurs first. A member elected to a full term in the House of Representatives, who did not serve in the General Assembly preceding the election, is allowed an allocation of \$2,000, as approved by the Speaker of the House, from the time the member's election is certified until the end of the then current fiscal year. For fiscal years beginning in odd years, eligible members are allowed an allocation of \$2,500, as approved by the Speaker of the House. Whenever a member is elected to fill an unexpired term, the allotment must be prorated on a monthly basis. The amounts provided above as allotments for members are provided for an aide's compensation, exclusive of employer contributions. Each member may choose to expend his allocation for an individual legislative aide or may choose to combine his allocation with allocations of other House members for a legislative aide to assist each of the members contributing to the expense of that aide. Legislative aides shall not be eligible to receive unemployment benefits.

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**SPONSOR: REPRESENTATIVE MERRILL**

**LEGISLATIVE DEPARTMENT**

**70.7.** (LEG: House Pages) Up to one hundred forty-four Pages may be appointed pursuant to House policies and procedures and they shall be available for any necessary service to the House of Representatives. *House pages shall not be eligible to receive unemployment benefits.*

**SPONSOR: REPRESENTATIVE MERRILL**

**OFFICE OF ADJUTANT GENERAL**

78.par. (ADJ: Physical Assets Responsibility) The Adjutant General shall be financially and administratively responsible for the building and grounds located at 1 National Guard Road in Columbia, to include maintaining necessary reserves for deferred and future depreciation and maintenance, and assuming improvement obligations and other costs of operation, including but not limited to, building maintenance, systems and equipment maintenance, custodial services, horticulture and grounds maintenance, insurance and utilities. Section 1-11-67 of the 1976 Code shall not apply and the Budget and Control Board shall have no responsibility for any deferred or future maintenance and repair of the building and grounds.

**SPONSOR: REPRESENTATIVE MERRILL**

**LEGISLATIVE DEPARTMENT**

70.r42. (LEG: Rule 42) In order to facilitate the effective and efficient delivery of services by state agencies and institutions, nothing shall prohibit a provision of this act from temporarily or permanently adding, amending, or repealing any portion of the general permanent laws of South Carolina.



**SPONSOR: REPRESENTATIVE MERRILL**

**STATEWIDE REVENUE**

(LGF Calculation) For purposes of calculating the Local Government Fund requirements as provided in Section 6-27-30 of the 1976 Code, all state support received by local governments shall be factored into the calculation.

**SPONSOR: REPRESENTATIVE MERRILL**

**B&C BOARD, STATE AUDITOR'S OFFICE**

**80B.aaf. (BCB/AUD: Annual Audit of Federal Programs)** Each state agency receiving federal funds subject to the audit requirements of the Single Audit Act Amendments of 1996 and OMB Circular A-133, Audits of States, Local Governments and Nonprofit Organizations shall remit to the State Auditor an amount representing an equitable portion of the expense of contracting with a nationally recognized CPA firm to conduct a portion of the audit of the State's federal financial assistance. Each state agency's equitable portion of the expense will be determined by a schedule developed by the State Auditor. Such remittance will be based upon invoices provided by the State Auditor. The audit shall be re-bid every five years.

**SPONSOR: REPRESENTATIVE LIMEHOUSE**

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*69.pr. (SPA: Parking Revenue) Of the fees charged for public parking on State Ports Authority property, 35% of the gross revenue generated shall be remitted to the General Fund of the State.*

**SPONSOR: REPRESENTATIVE LIMEHOUSE**

89.pff. (GP: Parking Fines and Fees) Of the revenue received by local governmental entities derived from parking fines and fees generated by parking in the state right of way or on state property, 35% of such revenue shall be remitted to the General Fund of the State.

**SPONSOR: REP. BINGHAM**

**1A.28.** (SDE-EIA: XI-E.2.-~~Teacher~~ Certified Staff Technology Proficiency) To ensure the effective and efficient use of the funding provided by the General Assembly in Part IA, Section 1 XI.E.2 for school technology in the classroom and internet access, the State Department of Education shall approve district technology plans that specifically address and incorporate ~~teacher~~ certified staff technology competency standards and local school districts must require ~~teachers~~ certified staff to demonstrate proficiency in these standards as part of each ~~teacher's~~ certified staff Professional Development plan. The Department of Education's professional development tracking, prescriptive and electronic portfolio system for ~~teachers~~ certified staff is the preferred method for demonstrating technology proficiency as this system is aligned to the International Society for Technology in Education (ISTE) teacher standards. Evidence that districts are meeting the requirement is a prerequisite to expenditure of a district's technology funds.

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**SPONSOR: REP. BINGHAM**

**1.68.** (SDE: Administrative Costs Reporting Posting) School districts ~~must~~ shall report the amount of funds spent on administrative costs, as defined by InSight in the previous fiscal year and post the report on the districts website. School districts shall provide an electronic copy of this report to the Department of Education in conjunction with financial audit report required by SC Code of Laws 59-17-100. The Department is authorized to withhold EFA funds from a school district determined to be non-compliant with these requirements.

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**SPONSOR: REP. BINGHAM**

**1A.19. (SDE-EIA: Technical Assistance)** In order to best meet the needs of underperforming schools, funds appropriated for technical assistance to schools with an absolute rating of below average or at-risk on the most recent annual school report card must be allocated according to the severity of not meeting report card criteria.

Schools receiving an absolute rating of below average or at-risk must develop and submit to the Department of Education a school renewal plan outlining goals for improvements. Of the technical assistance funds allocated to below average or at-risk schools each allocation must address specific strategies designed to increase student achievement and must include measures to evaluate success. The school renewal plan may include expenditures for recruitment incentives for faculty and staff, performance incentives for faculty and staff, assistance with curriculum and test score analysis, professional development activities based on curriculum and test score analysis that may include daily stipends if delivered on days outside of required contract days. School expenditures of technical assistance shall be monitored by the Department of Education.

With the funds appropriated to the Department of Education for technical assistance services, the department will assist schools with an absolute rating of below average or at-risk in designing and implementing technical assistance school renewal plans and in brokering for technical assistance personnel as needed and as stipulated in the plan. In addition, the department must monitor student academic achievement and the expenditure of technical assistance funds in schools receiving these funds and report their findings to the General Assembly and the Education Oversight Committee by January first of each fiscal year as the General Assembly may direct. If the Education Oversight Committee or the department requests information from schools or school districts regarding the expenditure of technical assistance funds pursuant to evaluations, the school or school district must provide the evaluation information necessary to determine effective use. If the school or school district does not provide the evaluation information necessary to determine effective use, the principal of the school or the district superintendent may be subject to receiving a public reprimand by the State Board of Education if it is determined that those individuals are responsible for the failure to provide the required information.

No more than five percent of the total amount appropriated for technical assistance services to schools with an absolute rating of below average or at-risk may be retained and expended by the department for implementation and delivery of technical assistance services. Using previous report card data, the department shall identify priority schools. Up to \$6,000,000 of the total funds appropriated for technical assistance shall be used by the department to work with those schools identified as priority schools. These funds shall not be transferred to any other funding category by the school district without prior approval of the State Superintendent of Education. ~~Of this amount, \$750,000 may be used for after-school or summer enrichment programs focused on dropout prevention for at-risk students.~~

The department will create a system of levels of technical assistance for schools that will receive technical assistance funds. The levels will be determined by the severity of not meeting report card criteria. The levels of technical assistance may include a per student allocation, placement of a principal mentor, replacement of the principal, and/or reconstitution of a school.

Reconstitution means the redesign or reorganization of the school, which includes the declaration that all positions in the school are considered vacant. Certified staff currently employed in priority schools must undergo a formal evaluation in the spring following the school's identification as a priority school and must meet determined goals to be rehired and continue their employment at that school. Student achievement will be considered as a significant factor when determining whether to rehire existing staff. Educators who were employed at a school that is being reconstituted prior to the effective date of this proviso and to whom the employment and dismissal laws apply will not lose their rights in the reconstitution. If they are not rehired or are not assigned to another school in the school district they have the opportunity for a hearing. However, employment and dismissal laws shall not apply to educators who are employed in the district and assigned to the priority schools after the effective date of this proviso, in

the event of a reconstitution of the school in which the educator is employed. Those rights are only suspended in the event of a reconstitution of the entire school staff. Additionally, the rights and requirements of the employment and dismissal laws do not apply to educators who are currently on an induction or annual contract, that subsequently are offered continuing contract status after the effective date of this proviso, and are employed at a school that is subject to reconstitution under this proviso.

The reconstitution of a school could take place if the school has been identified as a priority school that has failed to improve satisfactorily. The decision to reconstitute a school shall be made by the State Superintendent of Education in consultation with the principal and/or principal mentor, the school board of trustees, and the district superintendent. The decision to reconstitute a school shall be made by April first, at which time notice shall be given to all employees of the school. The department, in consultation with the principal and district superintendent, shall develop a staffing plan, recruitment and performance bonuses, and a budget for each reconstituted school.

Upon approval of the school renewal plans by the department and the State Board of Education, a newly identified school or a currently identified school with an absolute rating of below average or at-risk on the report card will receive a base amount and a per pupil allocation based on the previous year's average daily membership as determined by the annual budget appropriation. No more than fifteen percent of funds not expended in the prior fiscal year may be carried forward and expended in the current fiscal year for strategies outlined in the school's renewal plan. Schools must use technical assistance funds to augment or increase, not to replace or supplant local or state revenues that would have been used if the technical assistance funds had not been available. Schools must use technical assistance funds only to supplement, and to the extent practical, increase the level of funds available from other revenue sources.



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SPONSOR: REP. BINGHAM

1A.High Schools that Work

Funds provided for High Schools That Work may be carried forward into the current fiscal year to be expended for the same purposes by the department, school districts, and special schools.

**Sponsors:**

**M. Smith & Bingham 16**

**89.BabyNet** (GP: First Steps - BabyNet) In addition to the statutory duties assigned to South Carolina First Steps to School Readiness Board of Trustees; the Board shall ensure the state's compliance with the Individuals with Disabilities Act, Part C and the agency's full implementation of recommendations 2 through 23 as contained the audit report of the LAC regarding the BabyNet Program. The First Steps agency shall develop a schedule for each of the recommendations by September 15, 2012 for the implementation of recommendations. The First Steps agency shall be responsible for the implementation of the recommendations. Quarterly, the First Steps agency shall post on its' website a report on the timelines of the agency's progress in implementing the recommendations of the LAC. The Board of Trustees will be kept informed monthly of all activities related to this requirement and those progress reports must be recorded in the minutes for each meeting of the Board of Trustees. When the agency has implemented all of the recommendations enumerated above in paragraph (a) a final report shall be submitted to Board of Trustees for its' adoption. Upon approval by the Board of Trustees, the final report shall be published on the agency's homepage. South Carolina First Steps to School Readiness, The South Carolina School for the Deaf and Blind, The Department of Disabilities and Special Needs (DDSN), the Department of Health and Human Services, the Department of Mental Health and the Department of Social Services shall each provide a quarterly report to the Chairman of the House Ways and Means Committee and the Chairman of Senate Finance outlining all programs provided by the agency for BabyNet; all federal funds received and expended on BabyNet and all state funds expended on BabyNet. Each agency shall report on its share of the state's ongoing maintenance of effort as defined by the US Department of Education under IDEA Part C. South Carolina First Steps to School Readiness shall develop a common reporting format for use by all agencies and shall submit the template to the agencies no later than September 1, 2012. Both the report submitted by First Steps and the reports submitted by the state agency partners may be used by the General Assembly in its' consideration of the LAC recommendation that "The General Assembly should appropriate all Baby Net funding directly to First Steps to increase accountability for the lead agency with regard to partner agencies and providers."

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## Healthcare Subcommittee Recommendations to the Proviso Subcommittee for FY 12-13 ADDENDUM TO FIRST PACKAGE

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### SECTION 21 - J02-DEPARTMENT OF HEALTH AND HUMAN SERVICES

Requested by DHHS

**21.14. (DHHS: Medicaid Cost Savings Suggestion Award Program)** ~~The department is authorized to provide cash or honorary awards to employees of Medicaid providers whose suggestion is adopted by the committee administering the Medicaid Cost Savings Suggestion Award Program that will result in savings of state or federal dollars. Employees of the department are not eligible for cash awards. The department is authorized to fund this program from revenue from third party liability collections. The maximum amount of funds that may be used annually for the program is \$20,000.~~

Requested by DHHS

**21.20. (DHHS: Pediatric Literacy Program)** ~~The department shall coordinate with any pediatric, non-profit early literacy program, upon request of such program, to identify program participants who are also enrolled as Medicaid providers and, to the extent possible based on data available to the department, work with the program to determine potential geographic areas for program expansion.~~

Requested by DHHS

**21.22. (DHHS: Modular Ramps)** ~~The Department of Health and Human Services is authorized to lease modular ramps in the event the department can foresee demonstrated cost savings to the department.~~

Requested by DHHS

**21.23. (DHHS: Medicaid Cost and Quality Effectiveness)** The Department of Health and Human Services shall establish a procedure to assess the various forms of managed care (Health Maintenance Organizations and Medical Home Networks, and any other forms authorized by the department) to measure cost effectiveness and quality. These measures must be compiled on an annual basis. The Healthcare Effectiveness Data and Information Set (HEDIS) shall be utilized for quality measurement and must be performed by an independent third party according to HEDIS guidelines. Cost effectiveness shall be determined in an actuarially sound manner and data must be aggregated in a manner to be determined by a third party in order to adequately compare cost effectiveness of the different managed care programs versus Medicaid fee-for-service. The methodology must use appropriate case-mix and actuarial adjustments that allow cost comparison of managed care organizations, medical home networks, and fee-for-service. The department shall issue annual healthcare report cards for each participating Medicaid managed care plan and Medical Home Network operating in South Carolina and the Medicaid fee-for-service program. The report card measures shall be developed by the department and the report card shall be formatted in a clear, concise manner in order to be easily understood by Medicaid beneficiaries. The results of the cost effectiveness calculations, quality measures and the report cards shall be made public on the department's website ~~no later than ninety days after the end of each fiscal year~~ by December 31 for the prior state fiscal year.

Requested by DHHS

**21.26. (DHHS: Medicaid Provider Fraud)** The department shall expand and increase its effort to identify, report, and combat Medicaid provider fraud. The department shall report to the General Assembly before April 1, ~~2012~~ 2013 on the results of these efforts, funds recuperated or saved, and information pertaining to prosecutions of such actions, including pleas agreements entered into.

## Healthcare Subcommittee Recommendations to the Proviso Subcommittee for FY 12-13 ADDENDUM TO FIRST PACKAGE

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Requested by DHHS

**21.29.** (DHHS: GAPS) The requirements of Title 44, Chapter 6-610 through Chapter 6-660 shall be suspended for Fiscal Year ~~2011-12~~ 2012-13

Requested by DHHS

**21.31.** (DHHS: In-Home Health Care Systems for Medicaid Recipients) The Department of Health and Human Services, during Fiscal Year ~~2011-12~~ 2012-13, within the funds appropriated, upon application by the department, may pilot test an in-home health care system. 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 non-emergency 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.

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.

## Healthcare Subcommittee Recommendations to the Proviso Subcommittee for FY 12-13 ADDENDUM TO FIRST PACKAGE

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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.

Requested by DHHS

**21.32. (DHHS: Medicaid Reporting)** Within ninety days of the end of each quarter in Fiscal Year ~~2011-12~~ 2012-13, 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, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives, and be prominently displayed on the department's website.

### SECTION 23 - J12-DEPARTMENT OF MENTAL HEALTH

Recommended by Governor

**23.15. (DMH: Sexually Violent Predator Program)** *The Department of Mental Health and the Department of Corrections shall prepare a report evaluating the feasibility and desirability of transferring the Sexually Violent Predator Program to the Department of Corrections. This report must include population and cost projections for the next five years, and must also explore and make recommendations regarding opportunities to further expand the private sector's role in operating this program. This report shall be provided to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by December 31, 2012.*

### SECTION 24 - J16-DEPARTMENT OF DISABILITIES AND SPECIAL NEEDS

Recommended by Governor

**24.11. (DDSN: Summer Camps)** ~~The Department of Disabilities and Special Needs cannot remove any summer camps under their purview due to reductions in their budget.~~

## Healthcare Subcommittee Recommendations to the Proviso Subcommittee for FY 12-13 ADDENDUM TO FIRST PACKAGE

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### SECTION 26 - L04-DEPARTMENT OF SOCIAL SERVICES

Recommended by Governor

**26.23.** (DSS: Day Care Facilities Supervision Ratios) For Fiscal Year ~~2011-12~~ **2012-13**, 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.

### SECTION 89 - X90-GENERAL PROVISIONS

Recommended by Governor

**89.116.** (GP: Child Care Licensing and Inspections) ~~For the current fiscal year, 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.~~

The Healthcare Budget Subcommittee reviewed the other assigned Section 89 provisos and recommend adoption of the base with no changes.

**SPONSOR: REPRESENTATIVE SIMRILL**

**48.crs. (SLED: Criminal Record Search Fees)** The State Law Enforcement Division is authorized to charge and collect a fee of eight dollars for a criminal record search for local park and recreation volunteers through a commission, municipality, or county.

**SPONSOR: REPRESENTATIVE MERRILL**

## **GENERAL PROVISIONS**

**89.59. (GP: Assessment Audit / Crime Victim Funds)** If the State Auditor finds that any county treasurer, municipal treasurer, county clerk of court, magistrate, or municipal court has not properly allocated revenue generated from court fines, fines, and assessments to the crime victim funds or has not properly expended crime victim funds, pursuant to Sections 14-1-206(B)(D), 14-1-207(B)(D), 14-1-208(B)(D), and 14-1-211(B) of the 1976 Code, the State Auditor shall notify the State Office of Victim Assistance. The State Office of Victim Assistance is authorized to conduct an audit which shall include both a programmatic review and financial audit of any entity or non-profit organization receiving victim assistance funding based on the referrals from the State Auditor or complaints of a specific nature received by the State Office of Victim Assistance to ensure that crime victim funds are expended in accordance with the law. Guidelines for the expenditure of these funds shall be developed by the Victim Services Coordinating Council. The Victim Services Coordinating Council shall develop these guidelines to ensure any expenditure which meets the parameters of Title 16, Chapter 3, Article 15 is an allowable expenditure. Any local entity or non-profit organization that receives funding from revenue generated from crime victim funds is required to submit their budget for the expenditure of these funds to the State Office of Victim Assistance within thirty days of the budget's approval by the governing body of the entity or non-profit organization. Failure to comply with this provision shall cause the State Office of Victim Assistance to initiate a programmatic review and a financial audit of the entity's or non-profit organization's expenditures of victim assistance funds. Additionally, the State Office of Victim Assistance will place the name of the non-compliant entity or non-profit organization on their website where it shall remain until such time as they are in compliance with the terms of this proviso. Any entity or non-profit organization receiving victim assistance funding must cooperate and provide expenditure/program data requested by the State Office of Victim Assistance. If the State Office of Victim Assistance finds an error, the entity or non-profit organization has ninety days to rectify the error. An error constitutes an entity or non-profit organization spending victim assistance funding on unauthorized items as determined by the State Office of Victims Assistance. If the entity or non-profit organization fails to cooperate with the programmatic review and financial audit or to rectify the error within ninety days, the State Office of Victim Assistance shall assess and collect a penalty in the amount of the unauthorized expenditure plus \$1,500 against the entity or non-profit organization for improper expenditures. This penalty plus \$1,500 must be paid within thirty days of the notification by the State Office of Victim Assistance to the entity or non-profit organization that they are in non-compliance with the provisions of this proviso. All penalties received by the State Office of Victim Assistance shall be credited to the General Fund of the State. If the penalty is not received by the State Office of Victim Assistance within thirty days of the notification, the political subdivision will deduct the amount of the penalty from the entity or non-profit organization's subsequent fiscal year appropriation.



## SC DHEC 2012

History: Federal Abstinence Education funds allocated under Welfare Reform, Title V, Section 510 of the Social Security Act, have been continuous since 1997 except for the two years following the 2008 federal elections, when Title V, Section 510 funds were removed from the federal budget by a newly elected US Congress. However, as a result of the efforts of Senator Oran Hatch (R), Utah, these funds were reinstated under the Health Care Reform Act.

Since these funds became available to South Carolina for programs in 1998, Heritage Community Services has delivered the bulk of these services for the state, exceeding its deliverables every year of its contract. During this period, abstinence among SC teens increased dramatically and teen pregnancy rates declined by nearly 50% in our state, and are at a historical low. When there was no abstinence education funding for programs in the State, teen pregnancy rates were at a historical high.

SC DHEC conducted an extensive bid process seven years ago for federal Title V, Section 510 Abstinence Education funds and a five-year contract was again awarded to Heritage Community Services to provide the bulk of these services across the State. Because Federal Title V, Section 510 services were taken out of the federal budget for two years following the 2008 elections, these services were suspended after only three years of services, but the contracts were continued once the federal funding became available again. As such, the five-year contract for these services is ending this year.

In recognition of the year-by-year volatility of this funding source, as well as

- The unprecedented positive outcomes of abstinence education in South Carolina in increasing abstinence among teens and the reduction of teen pregnancy,
- The significant investment of the state in developing an effective infrastructure to deliver abstinence education services, exceeding its deliverables every year,
- The continued volatility of these funds at the federal level, considering the funds are a part of the Health Care Reform Act, which is subject to substantial debate at the federal level,
- The upcoming federal elections, which may impact Health Care Reform and these funds,
- The concern on the part of members of Congress about the appropriate use of these funds by the current federal administration as expressed in a letter from Randy Hultgren (R), Illinois, to US Secretary of HHS, Catherine Sebelius, and
- The on-going need for these services to continue uninterrupted in schools across South Carolina,

the following Proviso is suggested.

**(DHEC: Abstinence Education Contract) The agencies under contract with the State of South Carolina as of December 2012 and funded with federal and matching funds under the provisions of Title V, Section 510, must continue to be under contract at the same funding level, for the same purposes for the current fiscal year 2012-2013.**

## SC DSS 2012

History: The legislature began setting funds aside \$600,000 for abstinence education in 1998 to meet the required match for Federal Title V, Section 510 Abstinence Education funds allocated for the State. Some years ago, the State stopped allocating these funds as a match source for federal funds, added funding for contraception-based education, and required a bid process for these funds.

The attached Amendment No. 150A (DAD 26.22 TEEN PREG for Fiscal Year 2011-12) provides guidelines for the bid process conducted by SC DSS for these funds.

This Proviso provides SC DSS with the opportunity to give preference during the contract evaluation and awarding process to programs that have a proven and public history of having effectively implemented abstinence programs in this State. However, the Proviso did not make clear 1) what level of evidence of effectiveness is acceptable, or that 2) the program cited for effectiveness must be the same program that is proposed for use in the application for the funding.

To clear any misunderstandings of the standards for application, the following modifications are suggested:

Amend the bill, as and if amended, Part IB, Section 26, DEPARTMENT OF SOCIAL SERVICES, proviso 26.21 (D) in the Governor's budget for Fiscal Year 2012-13, Teen Pregnancy Prevention, by inserting the following italicized phrases:

(D) Entities that have a proven and public history of having effectively implemented abstinence program in this State may be given a preference during the contract evaluation and awarding process. For the purpose this proviso, a program is "effectively implemented" if the program *proposed for use in the application* has published positive *peer-reviewed* behavioral outcomes by an independent and nationally recognized private or government agency demonstrating that a year after the program, program participants initiated sex at a rate of at least thirty percent lower than comparable no-program students.

Merrill

(22)

**90.tpp.** (DHHS: Patient-to-Physician Telemedicine Pilot Project for Medicaid Enrollees) The State Treasurer shall disburse \$500,000 in enforced collections resulting from increased enforcement to the Department of Health and Human Services for a Patient-to-Physician Telemedicine Pilot Project for Medicaid Enrollees. The Department of Health and Human Services, during Fiscal Year 2012-2013, shall pilot test a patient-to-physician telemedicine system. The purpose of the program is to reduce the number of emergency room visits in nonemergency cases and to evaluate the effectiveness of telemedicine technology and services in reducing costs and improving access to care for nonemergent medical issues.

The pilot test must include a statistically valid sample of Medicaid enrollees within the counties as determined by the Director of the Department of Health and Human Services, but shall include no less than 7,000 enrollees per month.

The patient-to-physician telemedicine system must have or be:

- (1) open twenty-four hours a day, three hundred sixty-five days a year;
- (2) all call center(s) locations and staff located in South Carolina;
- (3) all physician(s) located in South Carolina, licensed to practice in South Carolina and be certified by the American Board of Family Medicine;
- (4) on call availability of a South Carolina licensed physician, twenty-four hours, seven days a week to triage care, coordinate treatment with the Medicaid enrollee's primary care physician, and provide treatment to the Medicaid enrollee;
- (5) daily monitoring of communications with the call center;
- (6) fully HIPAA compliant;
- (7) procedures to ensure that a caller will never receive a busy signal or voice mail when accessing the telemedicine line;
- (8) a call center follow-up call to the enrollee within 5 days of their initial call to ensure that their medical issue was satisfactorily addressed; and,
- (9) approved by the South Carolina Board of Medical Examiners to provide telemedicine services in South Carolina.

The department shall select one or more managed care organizations (MCO) or medical home networks (MHN) to implement the pilot program. The pilot program must be conducted for minimum of 180 days and must commence no later than August 1, 2012. 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 and contracting with a third-party provider or vendor to furnish and operate the patient-to-physician telemedicine system.

Each participating MCO and MHN shall report its findings to the department within 30 days of the conclusion of the pilot program in a form and manner as determined by the department. The department shall submit a report compiling and analyzing these findings to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee within 90 days of the conclusion of the pilot project.

**SPONSOR: REPRESENTATIVE HERBKERSMAN**

**GENERAL PROVISIONS**

89.aft. (Alternative Fuel Incentives) The alternative fuel purchase incentive provided for in Section 12-63-20 of the 1976 Code shall be extended to June 30, 2013.

**LEGISLATIVE, EXECUTIVE, AND LOCAL GOVERNMENT SUBCOMMITTEE  
RECOMMENDATION:**

**SPONSOR: REPRESENTATIVE MERRILL**

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to update fiscal year reference.

**89.115.** (GP: Tobacco Settlement Trust Fund Distribution) For Fiscal Year ~~2011-12~~ 2012-13, that portion of the Tobacco Settlement Trust Fund that the State Treasurer is directed to transfer to the Department of Agriculture for marketing and branding of agricultural products or produce pursuant to the provisions of Section 11-49-55 must be transferred to the Department of Agriculture as the funds are accrued in \$250,000 increments up to one million dollars.

SPONSOR: REP. BINGHAM

~~89.106. (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 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.~~

**SPONSOR: REPRESENTATIVES MERRILL and M. SMITH**

**COMMISSION ON HIGHER EDUCATION**

6.ss. (CHE: SmartState) The Commission on Higher Education is prohibited from expending any source of funds on the marketing of the SmartState Program..

January 9, 2012

Meeting of Proviso Subcommittee

Representative Murrell Smith proposes the following new proviso

DHEC Section 22

*Proviso 22.xxx (Vital Records): For the current fiscal year, with funding appropriated to the agency through state appropriations or fees collected for services, the agency shall provide vital records services in each of the 46 county health departments throughout the state that were providing those services on January 1, 2012. The agency may determine operational schedules for each location based on staffing resources in each area.*



#28

January 9, 2012

Meeting of Proviso Subcommittee

Representative Murrell Smith proposes to delete the following proviso:

Commission for the Blind

~~27.2. BLIND: Braille Production and Telecommunications Revenue) Revenues derived from the production of Braille and provision of services by clients of the Adult Adjustment and Training Center may be retained by the commission and used in the facility for production costs.~~

Requested by the agency

This proviso is no longer needed as the Code of Federal Regulations Title, 34, Part 361.63 defines this revenue as Program Income.