

South Carolina Department of Health and Human Services Proviso 33.21 (B) of the FY 24-25 Appropriations Act

Introduction

This Report is submitted pursuant to Section 33.21 (B) (DHHS: Rural Health Initiative). The Proviso states:

The department shall continue to investigate the potential use of disproportionate share, directed payment, and/or any other source of funds in order to improve access to medical services in one or more rural or underserved communities identified by the department in which such access has been determined to be unstable or at-risk. As funds are available to the department, it may establish a grant program for providers to implement sustainable delivery models or capital improvements to enhance access to health care services. When the program is in force, the department shall publish grant criteria and guidelines and, at its discretion, may cap or limit the amount of available funds at any time. The department shall require written proposals and may include stipulations it deems necessary and prudent to ensure funds are used to improve the sustainability of access to services in rural or other underserved areas. The department shall also ensure that a facility has been properly sized to meet the needs of its service area. By October 1st of each year, the department shall report to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee on the status of outstanding grants.

Status

The South Carolina Department of Health and Human Services (SCDHHS) released a grant opportunity for Rural and Medically Underserved Areas throughout South Carolina on Oct. 6, 2023. Through the grant program, SCDHHS seeks to improve health outcomes, increase access to essential health care services, and improve service quality. Targeted services for this program include primary care, maternal and infant care, pediatrics and behavioral health. In March 2024, SCDHHS issued 23 grants totaling \$48.3 million dollars.

As of SFY26Q1, 95% of funds have been disbursed to grantees. Sixteen out of 23 grantees have received all funds. The remaining funds are expected to be disbursed in SFY26Q2.

Each grant has a contract period of April 1, 2024, to March 31, 2029. Grantees are implementing projects in accordance with their proposal which were evaluated by a committee as part of the standard notice of funding opportunity process. Required reporting for each grantee includes:

- Monthly progress report used to evaluate project progress,
- Annual report with deidentified client-level data used to evaluate outcomes associated with services offered by grantees as a result of the infrastructure funding,
- Monthly invoice,
- Annual fiscal report.

As of SFY26Q1, all grantees are scheduled to complete their projects within the contract period. Three grantees have recently completed their projects, and two grantees have completed a sub-set of their project. All are required to continue tracking outcomes and submitting reports through the contract period. Table 1 provides details on each grantee's project.

Table 1: Grantee Project Summary

Grantee	Brief Description of Project
Eau Claire Cooperative Health	Create a new federally qualified health center (FQHC) that provides adult medicine, pediatrics, behavioral health, OB-GYN, dental, and an in-house pharmacy.
Edgefield County Healthcare	Establish the county's first 24/7 pharmacy with 340B pricing benefits and access to both prescription medications and over-the counter remedies.
Foothills Community Health Care	Relocate existing clinic to a new, larger location in order to handle the increased demand for services in Anderson County.
Hampton Regional	Expand surgical offerings in the hospital.
Health Care Partners of SC	Construct a new facility in Conway to address current space limitations and demand for additional services.
Little River Medical Center, Inc.	Build a 10,000 square foot clinic in Aynor to include primary and preventative medical care, mental health care, substance use disorder services, enabling services, Ryan White EIS, a drive-up pharmacy, and accommodations for an existing Little River Medical Center mobile dental unit.
Low Country Healthcare System	Create a new FQHC site in Orangeburg County to increase access to primary care services and extend the Ryan White (HIV/AIDS) program.
McLeod Health (Kingstree Primary Care)	Construct a primary care office in Kingstree
MD Health Pathways	Establish technological infrastructure to expand telehealth services to the entire county of Chesterfield.
MUHA MUSC Community Physicians	Multiple clinic renovations to address critical infrastructure gaps that compromise patient safety, infection control, and essential healthcare delivery.
Plexus Health	Increase imaging services in Kershaw and Lancaster counties through renovation and purchase of additional equipment (MRI, CT, DEXA scan, mammography).
Prisma Health	Advance Family Medicine - Renovate current site to increase capacity from three physicians to five physicians to provide increased primary care services. Anderson - New primary care clinic with the capacity for four physicians to serve Anderson County. Seneca Medical Associates - Renovate current site to expand capacity from seven physicians to nine physicians to provide increased primary care services to Oconee County. Prisma Health Seneca Pediatrics - Renovate existing primary care practice to expand capacity from four physicians to six physicians and increase access to pediatric services in Oconee County.
Rosa Clark Health Center	Create a new FQHC access point in Walhalla.
Self-Regional Healthcare	Establish a Urology Center of Excellence and

	significantly expand the urology services offered to patients.
Self-Regional Healthcare Saluda	Improve primary care infrastructure and establish Saluda County's first after hours urgent care.
Spartanburg Regional (MGC Landrum)	Renovate and expand current facility due to operating at max capacity for five years. Expansion would include the creation of twelve new patient rooms.
Sycamore Health Care	Renovate and expand current building to increase from one provider to two providers to better serve Allendale County.
Tandem Health	Improve organizational infrastructure by promoting the creation of two school-based healthcare sites and a new primary care site, facilitating the completion of a newly renovated free-standing dental site, enhancing its current access control and surveillance system across all site locations, and renovating the nursing station.
Virginia College of Osteopathic Medicine Carolinas Campus	Design and construct 2 new mobile medical units (MMU) to provide weekly primary care clinics for preventative services and public health education as well as facilitate the establishment of a medical home among rural and underserved patients.

Conclusion

SCDHHS is committed to continually striving for a comprehensive service array that meets the needs of South Carolina's Medicaid population. Providing infrastructure funds through this grant contributes to this endeavor by supporting health care facilities in improving quality health services for their Medicaid patients. This includes hiring additional providers and expanding available services, which will lead to improved health outcomes for the rural and medically underserved communities.