

**From:** [Linguard, Christie](#)  
**Subject:** Meeting Notice - The Commission of the SCDDSN - Finance and Audit Committee Meeting - December 13, 2021  
**Date:** Friday, December 10, 2021 6:14:54 PM  
**Attachments:** [Finance and Audit Agenda and Handouts - 12 13 2021.pdf](#)

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**Good Afternoon,**

**The South Carolina Commission on Disabilities and Special Needs will hold an in person Finance and Audit Committee meeting on Monday, December 13, 2021, at 3:00 p.m. The Committee Meetings are held at the SC Department of Disabilities and Special Needs Central Administrative Office, 3440 Harden Street Extension, Columbia, SC. This meeting can also be viewed via a live audio stream at [www.ddsn.sc.gov](http://www.ddsn.sc.gov).**

**Please see the attached meeting packet for the Finance and Audit Committee Meeting.**

**For further information or assistance, contact (803) 898-9769 or (803) 898-9600.**

**Thank you.**

**FINANCE AND AUDIT COMMITTEE AGENDA**

**Commission of the South Carolina Department of Disabilities and Special Needs  
3440 Harden Street Extension  
Conference Room 251 (TEAMS)  
Columbia, South Carolina**

**December 13, 2021**

**3:00 p.m.**

- 1. Call to Order *Robin Blackwood, Committee Chair*
- 2. Statement of Announcement *Robin Blackwood, Committee Chair*
- 3. Adoption of the Agenda
- 4. Review Minutes from the October 18 and November 15, 2021 Meetings **Pages 2-9**
- 5. Financial Approval & Threshold Report for December 2021 **Page 10** *Pat Maley*
- 6. Monthly Band B & I Report for December 2021 (Outliers & Band Changes) *Pat Maley*  
**Page 11**
- 7. Legacy Homes Process **Page 14** *Pat Maley*
- 8. Fee-for-Service Update **Page 29** *Pat Maley*
- 9. Financial Update **Page 33** *Pat Maley*
- 10. Internal Audit Update *Courtney Crosby*
- 11. Chief Financial Officer Report *Pat Maley*
- 12. Next Meeting Date – January 17, 2022
- 13. Adjournment

## FINANCE AND AUDIT COMMITTEE AGENDA

Commission of the South Carolina Department of Disabilities and Special Needs  
3440 Harden Street Extension  
Conference Room 251 (TEAMS)  
Columbia, South Carolina

October 18, 2021

3:00 p.m.

In attendance: Robin Blackwood, Chair; Barry Malphrus; Ed Miller; Pat Maley; Candis Golston; Debra Leopard; Debbie Punzirudu; Nancy Rumbaugh; Ken Parks; and Christie Linguard

1. Call to Order *Robin Blackwood, Committee Chair*

*The meeting was called to order at 3:00 p.m.*

2. Statement of Announcement

*Robin Blackwood, Committee Chair*

*Commissioner Blackwood read a statement of announcement about the meeting that was distributed to the appropriate media, interested persons, and posted at the Central Office and on the website in accordance with the Freedom of Information Act.*

3. Adoption of the Agenda

*Brief Summary: Agenda was presented.*

*Committee Member(s) Guidance (if any):*

*Committee Vote(s) (if any): Commissioner Miller made a motion to adopt the agenda as written; the motion was seconded by Commissioner Malphrus and unanimously approved by the committee.*

4. Review Minutes of the September 7, 2021 Meeting

*Brief Summary: The September 7, 2021 minutes were presented to the committee for approval.*

*Committee Member(s) Guidance (if any): None*

*Committee Vote(s) (if any): Commissioner Malphrus made a motion to adopt the summary as presented, seconded by Commissioner Miller and unanimously approved by the committee.*

5. 200-02-DD: Financial Management of Personal Funds *Pat Maley*

*Brief Summary: Mr. Maley noted that this directive was put out for public comment. A few comments were received and sent to each committee member.*

Committee Member(s) Guidance (if any): Commissioner Blackwood asked to define “cardholder” on page 10 as a staff member.

Committee Vote(s) (if any): Commissioner Malphrus made a motion to approve this directive with the aforementioned changed, seconded by Commissioner Miller and unanimously approved by the committee.

6. Monthly Report for Contracts over \$200,000 *Pat Maley*

Brief Summary: Mr. Maley presented the net contracts over \$200,000 for information only. Most boards’ contracts increased because of the band increases for the 2.5% COLA.

Committee Member(s) Guidance (if any): None.

Committee Vote(s) (if any): None.

7. Financial Approval & Threshold Report for October 2021 *Pat Maley*

Brief Summary: Mr. Maley presented a new non-service contract greater than \$200,000 with Therap to extend the existing contract for one more year.

Mr. Maley discussed the FEMA Generators bid from Page Power Systems, Inc. in Gastonia, North Carolina. This is the low bid of the five bids received. The agency has used Page Power Systems in the past.

Information was provided to the committee regarding the Whitten Interactive Garden. This is for an initial approval, which will be presented at the full commission meeting by Mr. Andrew Tharin.

Committee Member(s) Guidance (if any): Commissioner Blackwood asked if the agency can survey Therap users to see how they feel about the software. She would also like for the agency to look at several providers to make sure we are getting the most competitive program service. Commissioner Malphrus noted that the agency needs to work closely with the Department of Health and Human Services to make sure our software is compatible with theirs based on the fact that direct bill is coming up soon.

Committee Vote(s) (if any): Commissioner Miller made a motion to approve the one-year sole source contract with Therap, seconded by Commissioner Malphrus and unanimously approved by the committee.

Commissioner Miller made a motion to approve the purchase of FEMA Generators from Page Power Systems, Inc., seconded by Commissioner Malphrus and unanimously approved by the committee.

8. Monthly Band B & I Report (Outliers & Band Changes) *Pat Maley*

Brief Summary: Mr. Maley presented one band outlier for approval.

Committee Member(s) Guidance (if any): None

Committee Vote(s) (if any): Commissioner Miller made a motion to approve the one band outlier as presented, seconded by Commissioner Miller and unanimously approved by the committee.

9. Processing Retirement Health Insurance Appropriations to Providers *Pat Maley*

Brief Summary: Mr. Maley stated a memo has been drafted but not yet distributed. He has reached out to some of the providers within the community for feedback and guidance on how best to handle this appropriation.

For the FY22 appropriations, the General Assembly authorized funding the agencies and providers within our provider network, but only for those providers whose employees contribute to the SC Retirement System (SCRS). SCRS contributions have increased by 1%, the General Assembly through the Executive Budget Office (EBO), gives DDSN funding every September for that amount. The amount given is less than what is needed to cover the expenses. If the contribution can be properly matched this will provide the agency with the funding needed to cover the costs.

For those services that are being addressed by the ID/RD waiver, particularly residential and day services where the one percent assumption is built into the rate increase, Mr. Maley suggested that the agency pay the providers in the network a six-month lump sum for their 1% contributions.

After Mr. Maley receives the final comments from the community before he makes his final determination, he will make recommendations to the commission at their October meeting. He asked the committee to look for the memo from him soon.

Beginning January 1, 2022, we will be in a position that every rate we have will be fee for service and from that point forward any type of legislative appropriations will have to go through across the board rate increases at DHHS.

Committee Member(s) Guidance (if any): None.

Committee Vote(s) (if any): None

10. Fee-for-Service Update *Pat Maley*

Brief Summary: Mr. Maley reported that the ID/RD waiver renewal with the individual residential tiered settings was submitted to the Centers for Medicare and Medicaid Services (CMS). CMS has not released the rates for the residential beds. The provider network has been informed that DDSN will be moving to fee-for-service beginning January 1, 2022. DDSN needs to develop a strategy to address the cash flow conversion from a prospective payment to a retrospective payment and prevent any disruption to the community. A plan will be presented to the state director for presentation to the commission for approval.

Committee Member(s) Guidance (if any): None

Committee Vote(s) (if any): None

11. Cost Reports Update *Pat Maley*

Brief Summary: Mr. Maley noted that FY2019 cost report has been completed and was used as a reference for the ID/RD waiver renewal. FY13 and FY14 have been provided to DHHS. FY15 has

been reviewed by Mr. Maley and will be finalized this week. Fiscal years 2018, 2020 and 2021 cost reports still need to be reviewed and finalized. A schedule to finalize the three aforementioned years will be developed and the reports will be finalized over the next 9-12 months.

Committee Member(s) Guidance (if any): None.

Committee Vote(s) (if any): None.

12. Internal Audit Report *Courtney Crosby*

Brief Summary:

Courtney Crosby presented the internal audit report. Internal audits review of the 2020 Agreed Upon Procedures Report for the DSN boards has been completed. The IA division is still working to complete the review of seven (7) remaining 2020 agreed upon procedures for providers. The contract reductions related to 2020 reports total \$17,800. The 2021 reports are beginning to come in and the department will provide regular status updates on those reports at the upcoming committee and commission meetings. The department is working to complete on the numerous fiscal year 2021 internal audits that carried over into the fiscal year 2022. These audits include: interpreter services, environmental modifications, limited scope IT audit, the Coastal Autism Division and a regional center’s client banking system audit that was previously deferred due to other projects.

An entrance conference with a provider, initiated at the request of management, is scheduled for later this week. The target completion date for the environmental modifications report will be November. The target completion date for the limited scope IT audit and the Coastal Autism Division audit is December.

Ms. Crosby is working to develop an audit tracking report to summarize the audit findings, the corrective action plans and follow-up procedures that internal audit performs to determine whether those corrective action plans have been implemented by management. Ms. Crosby plans to have the audit tracking report tool created and ready to present at the at November Audit and Finance Committee meeting.

Ms. Crosby has begun meeting with central office managers and key personnel to prepare an audit universe to encompass both central office operations and the provider network.

13. Chief Financial Officer Report *Pat Maley*

Mr. Maley did not have any further updates to report.

14. Next Meeting Date

The next committee meeting will take place on Monday, November 15, 2021 at 3:00 PM.

15. Adjournment

At 4:25 PM on a motion by Commissioner Miller and seconded by Commissioner Malphrus, the meeting was adjourned.

## FINANCE AND AUDIT COMMITTEE AGENDA

Commission of the South Carolina Department of Disabilities and Special Needs  
3440 Harden Street Extension  
Conference Room 251 (TEAMS)  
Columbia, South Carolina

November 15, 2021

3:00 p.m.

In attendance: Robin Blackwood, Chair; Barry Malphrus; Ed Miller; Pat Maley; Candis Golston; Debra Leopard; Debbie Punzirudu; Nancy Rumbaugh; Lisa Comfort; and Christie Linguard

1. Call to Order *Robin Blackwood, Committee Chair*

[The meeting was called to order at 3:00 p.m.](#)

2. Statement of Announcement

*Robin Blackwood, Committee Chair*

[Commissioner Blackwood read a statement of announcement about the meeting that was distributed to the appropriate media, interested persons, and posted at the Central Office and on the website in accordance with the Freedom of Information Act.](#)

3. Adoption of the Agenda

[Brief Summary:](#) Agenda was presented.

[Committee Member\(s\) Guidance \(if any\):](#)

[Committee Vote\(s\) \(if any\):](#) Commissioner Miller made a motion to adopt the agenda as written; the motion was seconded by Commissioner Malphrus and unanimously approved by the committee.

4. Review Minutes of the October 18, 2021 Meeting

[Brief Summary:](#) The October 18, 2021 minutes were presented to the committee for approval.

[Committee Member\(s\) Guidance \(if any\):](#) None

[Committee Vote\(s\) \(if any\):](#) The approval of the minutes were tabled until the next meeting.

5. Financial Approval & Threshold Report for November 2021 *Pat Maley*

[Brief Summary:](#) Mr. Maley presented one new non-service contract of \$200,000 or greater for residential services for children. This is a multi-agency contract.

[Committee Member\(s\) Guidance \(if any\):](#) None.



Committee Vote(s) (if any): Commissioner Miller made a motion to approve the non-service contract, seconded by Commissioner Malphrus and unanimously approved by the committee. This will go to the full commission as information only.

6. Monthly Band B & I Report (Outliers and Band Changes) *Pat Maley*

Brief Summary: Mr. Maley presented two band outlier increases for approval. Mr. Maley noted that there are no requests pending and that this program will be coming to an end in December.

Committee Member(s) Guidance (if any): None.

Committee Vote(s) (if any): Commissioner Miller made a motion to deny the two (2) outlier increases that were presented, seconded by Commissioner Malphrus and unanimously approved by the committee.

7. Fee-For-Service (FFS) Update *Pat Maley*

Mr. Maley stated that FFS is on target to begin on January 1<sup>st</sup>. A plan and communication is forthcoming from both the state director of the DHHS and our agency to work with our provider network on residential rates, cash flow conversion and the direct billing component. He reminded the committee that the ID/RD Waiver Renewal will roll-out at the same time next year. We are working very hard to make these two huge projects run smoothly on day one.

8. Cost Report Update *Pat Maley*

Cost reports for FY13, FY14, FY15 and FY2019 have been completed and at DHHS. FY13 and FY14 have been provided to DHHS. FY16 and FY17 have been completed several years ago so the remaining backlog of cost reports to be done are FYs 18, 20 and 21. FY18 should be completed by February, depending on how much FFS pulls on the entire finance staff downstairs. FYs 20 and 21 should be completed next year. This should put us on track.

9. Internal Audit Update *Courtney Crosby*

Ms. Crosby started with the Agreed-Upon Procedures Report.

- At our last meeting, we noted that the review of 2020 AUP reports for the DSN Boards was complete, but we had seven (7) remaining 2020 reports for providers to review. We completed the review of two (2) of these reports, and have five (5) outstanding. Contract reductions related to 2020 reports total \$20,300. (In line with PY - \$19,100)
- October 31<sup>st</sup> was the deadline for 2021 reports for the DSN Boards. We have received 28 reports, and 10 Boards were granted extensions. The remaining two (2) have indicated that submission of the report is imminent.
- Of the nine (9) providers with June 30 year ends resulting in Oct. 31<sup>st</sup> reporting deadlines, we have received seven (7) AUP reports; the other two (2) are on extension.

Internal Audit division is still working to complete the FY 2021 audits that carried over into FY 2022 and anticipate issuing the Environmental Modifications report later this month. The

division initiated a consumer funds and personal property audit in the provider network during October, and have begun performing follow-up procedures to determine if corrective action plans have been implemented by management.

At the October meeting, Ms. Crosby briefed this committee on the development of an audit observation tracking report designed to comply with this standard. A draft of the audit observation tracking report was presented to Commissioner Blackwood earlier today, and it will be shared with Dr. Fry for feedback as well. The report will be populated with outstanding audit observations and have proposed quarterly reporting to the Finance and Audit Committee and Commission with the first quarterly report being sent in advance of the December meeting dates.

10. Chief Financial Officer Repot *Pat Maley*

Mr. Maley reported that this month he and Andrew Tharin will work on the 59 Legacy Homes. Mr. Tharin's initial estimate cost for these homes is \$1.17 million. Commissioner Malphrus asked that the Legacy Homes be a separate item on the agenda for this committee next month.

11. Next Meeting

The next committee meeting will take place on Monday, December 13, 2021 at 3:00 PM.

12. Adjournment

At 3:38 PM on a motion by Commissioner Miller and seconded by Commissioner Malphrus, the meeting was adjourned.

**Monthly DDSN Staff Report - Financial Approval & Threshold Reporting for December 2021**

The purpose of this monthly report is to ensure staff comprehensively reports on all Executive Limitation Policy (800-CP-03) financial transactions for approval and financial threshold reporting requirements. The Finance and Audit Committee will decide which items require presentation to the Commission for a formal vote, as well as which items need only be reported via this monthly report to the Commission to ensure transparent reporting. After the Finance and Audit Committee’s decisions, this report will highlight items in green to notify Commission this will not need a formal vote and highlight items in yellow indicating item will require a formal Commission vote to approve.

- I. **New Non-Service Contracts \$200,000 or Greater:**  
None
  
- II. **Existing Service Contracts Increasing \$200,000 or Greater (simple list if based on indiv. choice; detail summary if not):**  
None
  
- III. **\$200,000 or Greater Increase in Personnel Positions for a Program or Division:**  
None
  
- IV. **New CPIP or Re-Scoping of an Existing CPIP:**  
None
  
- V. **New Consulting Contract:**  
None
  
- VI. **New Federal Grant:**  
None

(NOTE: In July of each year, a report of all prior FY non-service expenditures by vendor over \$200,000 will be presented as a “post-payment” review. This will add visibility for expenditures from contracts originated in prior FYs and vendors with separate purchases aggregating over \$200,000 in current FY.)



## MEMO

Date: December 8, 2021

To: DSN Commissioners

From: CFO Pat Maley

Re: Band B & I Project: Band Increase & Outlier Requests

On 4/5/21, DDSN initiated the Band Increase & Outlier Request Program with funding from the B & I Transition “gap” funds available. To date, DDSN received **45** requests for Band increases and requests for outlier funding. Of these requests, 15 have been approved, 29 denied; **1** being submitted to the December Commission meeting; and **0** are still pending review. Every Friday, new requests are staffed by Operations and Finance Divisions and either approved, denied, or held in abeyance while additional data is collected to make a determination. For all new requests not approved due to lack of sufficient justification, providers are re-contacted and given ample opportunity to send in additional financial information to support the request prior to a final denial is recommended to the Commission.

Attachment A to this memo contains a schedule itemizing all staff recommendations for the **December 2021** Commission meeting, where staff will seek Commission final approval. Attachment B to this memo is a summary of all previously approved Commission funding decisions for this project.

### Request of the Commission:

Approve the **1** preliminary staff recommendations contained on Attachment A.

Attachment A								
Staff Recommendation for Band Increases & Outliers for the December Commission Meeting								
Band Increase Request				Outlier Request			Staffing Decision	
Individual	Band from/to	Annualized Increase Request	Annualized Increase Approved	Individual	Amount Requested	Amount Approved	Approve	Disapprove
SB	G to H	\$19,305	\$0					X
		\$ 19,305	\$ -		\$ -	\$ -		

Attachment B									
Summary of All Band Increases & Outlier Decisions Pertaining to the B & I Transition Project									
Date Approved by Commission	Band Increase Request				Outlier Request			Staffing Decision	
	Individual	Band from/to	Annualized Increase Request	Annualized Increase Approved	Individual	Amount Requested	Amount Approved	Approve	Disapprove
5/20/2021	GB	G to H	\$ 18,561	\$ 18,561				X	
5/20/2021	CH	Low to High	\$ 18,561	\$ -					X
5/20/2021	DH	Low to High	\$ 18,561	\$ -					X
5/20/2021	LH	Low to High	\$ 18,561	\$ -					X
5/20/2021	RJ	Low to High	\$ 18,561	\$ -					X
5/20/2021	BL	G to H	\$ 18,561	\$ -					X
5/20/2021					TH	\$ 109,500	\$ -		X
5/20/2021					ML	\$ 112,099	\$ -		X
6/17/2021	LJ	G to H	\$ 18,561						X
6/17/2021	TH	G to H	\$ 18,561	\$ 18,561				X	
6/17/2021	JG	G to H	\$ 18,561	\$ -					X
6/17/2021	DP	G to H	\$ 18,561	\$ -					X
6/17/2021	BP	G to H	\$ 18,561	\$ 18,561				X	
6/17/2021	BB	G to H	\$ 18,561	\$ 18,561				X	
6/17/2021	WM	G to H	\$ 18,561	\$ 18,561				X	
6/17/2021	CW	G to H	\$ 18,561	\$ 18,561				X	
6/17/2021	AA	G to H	\$ 18,561	\$ 18,561				X	
6/17/2021	PK	G to H	\$ 18,561	\$ -					X
6/17/2021	DK	G to H	\$ 18,561	\$ -					X
6/17/2021	SH	G to H	\$ 18,561	\$ -					X
6/17/2021	MB	G to H	\$ 18,561	\$ -					X
6/17/2021	AS	G to H	\$ 18,561	\$ 18,561				X	
6/17/2021					GB	\$ 98,837	\$ 41,046	X	
6/17/2021					JB	\$ 134,783	\$ 80,660	X	
6/17/2021					MD	\$ 13,607	\$ -		X
6/17/2021					AJ	\$ 13,607	\$ -		X
6/17/2021					MS	\$ 73,362	\$ -		X
7/14/2021					DL	\$ 41,047	\$ -		X
7/14/2021					KM	\$ 66,163	\$ -		X
7/14/2021					JP	\$ 41,047	\$ -		X
7/14/2021					DG	\$ 37,987	\$ -		X
7/14/2021					JE	\$ 37,543	\$ -		X
7/14/2021					GB	\$ 19,384	\$ -		X
7/14/2021					AE	\$ 31,925	\$ -		X
9/16/2021	CC	G to H	\$ 18,561	\$ 18,561				X	
9/16/2021	RF	G to H	\$ 18,561	\$ 18,561				X	
9/16/2021	SK	G to H	\$ 18,561	\$ 18,561				X	
9/16/2021	TB	G to H	\$ 18,561	\$ 18,561				X	
10/21/2021	JH	G to H	\$ 18,561	\$ 18,561				X	
10/21/2021	ES	G to H	\$ 18,561	\$ -					X
10/21/2021	JW	G to H	\$ 18,561	\$ -					X
10/21/2021	AC	G to H	\$ 18,561	\$ -					X
11/18/2021	MC	Level 1 to 2	\$ 14,983	\$ -					X
11/18/2021	SB	G to H	\$ 19,305	\$ -					X
			\$ 553,996	\$ 241,293		\$ 830,891	\$ 121,706		



## MEMO

To: State Director Michelle Fry

From: CFO Pat Maley

Date: December 10, 2021

Re: Resolution of the DDSN Owned Legacy Properties Issue

Historically, DDSN coordinated the maintenance of property owned by DDSN and operated by providers through Directive 300-05-DD with a revision date of March 14, 2016 (see Attachment A). This Directive was superseded on June 18, 2020, which essentially required providers operating these properties to be responsible for all maintenance (see Attachment B). Subsequently, the General Assembly weighed in on this issue with its FY22 Legislative Budget Proviso 36.6, which was as follows:

***FY 2021-22 Budget: 36.6. (DDSN: Transfer of Capital/Property) The department shall only transfer capital to include property and buildings to local DSN providers with written consent of the providers by memorandum of understanding and upon State Fiscal Accountability Authority approval, otherwise, the department shall be responsible for maintenance and improvements.***

A virtual meeting with impacted providers took place on August 4, 2021. The initial step was to inventory the 59 legacy properties for needed maintenance and improvements. During August through October 2021, Director Andrew Tharin, Engineering Division, and staff personally examined all 59 legacy properties. Tharin's initial cost estimate of addressing maintenance issues was \$1.17 million (Attachment C). It is important to note Tharin's estimate has not been shared with providers to date.

In making his estimates, Tharin used DDSN Directive 300-05-DD with revision date of March 14, 2016, which was the historical precedent for defining maintenance and improvements for which DDSN was responsible (Attachment A). The general intent of the Directive is that DDSN is responsible for the structure of the facility and the fixed equipment associated with it. The below lists includes, but not limited to, the type of repairs DDSN is responsible to maintain:

- Roof and Building Envelop
- Exterior Trim
- Sprinkler System
- Fire Alarm System
- HVAC Equipment
- Dishwasher/Sanitizer

- Cooking Range
- Refrigerator
- Washer/Dryer
- Water heater

Structural features still functioning but exhibiting a high level of wear still were awarded partial replacement value by Tharin, often at 50%. Fixed equipment still functioning but in a degraded/inefficient manner were replaced.

The Directive assigns the responsibility of the maintenance and upkeep of these properties to the Providers operating the facility. The below lists includes, but not limited to, the type of repairs the Provider is responsible to maintain:

- Maintain the fixed equipment in good working order.
- Interior doors, door jambs, floor covering, tile work, ceilings
- Lighting fixtures, switches, receptacles
- Landscaping – mowing, pruning, etc.
- Cleaning of gutters
- Maintenance and repair of water-line leaks and fixtures
- Maintenance and repair of sewer-line blockage

Requests to remodel bathrooms to add new showers or bathtubs to improve accessibility were not approved by Tharin based on the Directive criteria and past precedent.

Below is a recommended course of action to move forward:

1. DDSN will use Directive 300-05-DD with a revision date of March 14, 2016 to define maintenance responsibilities between DDSN and the provider (Attachment A).
2. DDSN sends Tharin's specific estimates for each of the legacy properties to the 27 impacted providers, who are provided opportunity to comment on Tharin's estimates.
3. Tharin, Finance, and Legal meet to discuss Providers' written responses to #2 to the estimate and present recommendation to the State Director.
4. DDSN presents to Finance and Audit Committee for approval.
5. DDSN communicates response to Providers. If the provider has an interest in "rolling" the property, how to use these maintenance funds will be discussed at that time.



6. Any property that can't obtain a negotiated settlement during this first phase will enter a second phase. DDSN will analyze and propose to F&A committee recommendations from options that may include, but are not limited to: DDSN taking over maintenance and charging provider; rolling the home; and other logical business arrangements to meet the intent of the Proviso in a balanced manner weighing the equities of the residents, providers, and taxpayers.

It is important to note this plan is only designed to reach the stage where the provider signs a MOU agreeing to take over all future maintenance of the property. It does not address transferring the property to the providers' which considered a separate issue due to how this request was not received well by the State Fiscal Accountability Authority (SFAA).

# Attachment A



Beverly A. H. Buscemi, Ph.D.  
State Director  
David A. Goodell  
Associate State Director  
Operations  
Susan Kreh Beck  
Associate State Director  
Policy  
Thomas P. Waring  
Associate State Director  
Administration

COMMISSION  
William O. Danielson  
Chairperson  
Fred Lynn  
Vice Chairman  
Eva R. Ravenel  
Secretary  
Mary Ellen Barnwell  
Katherine W. Davis  
Gary C. Lemel  
Vicki A. Thompson

3440 Harden Street Ext (29203)  
PO Box 4706, Columbia, South Carolina 29240  
803/898-9600  
Toll Free: 888/DSN-INFO  
Website: www.ddsn.sc.gov

Reference Number: 300-05-DD  
Title of Document: Maintenance Management Contract Requirements for Community Residential Homes  
Date of Issue: February 8, 1990  
Effective Date: February 8, 1990  
Reviewed Date: March 23, 1992  
Last Review Date: March 14, 2016  
Date of Last Revision: March 14, 2016 (REVISED)  
Applicability: All DDSN "State Owned" Licensed Homes

1. Purpose

It is the policy of the South Carolina Department of Disabilities and Special Needs (DDSN) to enlist assistance of boards/providers to perform routine maintenance locally with less reliance on DDSN Regional Centers. It is also the policy of DDSN to ensure the structural soundness of facilities; ensure cost effective preventive maintenance on residences; reduce the burden on DDSN Regional Center staff for maintenance of facilities at various locations throughout the District; and ensure that facilities promote health, safety, and welfare of consumers.

To achieve the goals stated above, DDSN and boards/providers shall divide responsibilities for maintenance, repairs, and replacement as follows:

2. Procedure

A. DDSN agrees to provide and fund the following:

- 1. Preventive maintenance/repair of the fire alarm system and on all fixed equipment including the water heater, dishwasher, and heating/ventilation and air conditioning through annual maintenance/service contracts. The

DISTRICT I

DISTRICT II

P.O. Box 239  
Clinton, SC 29325-5328  
Phone: (864) 938-3497

Midlands Center - Phone: 803/935-7500  
Whitten Center - Phone: 864/833-2733

9995 Miles Jamison Road  
Summerville, SC 29485  
Phone: 843/832-5576

Coastal Center - Phone: 843/873-5750  
Pee Dee Center - Phone: 843/664-2600  
Saleeby Center - Phone: 843/332-4104

DDSN Regional Center will be responsible to award contracts for maintenance service work;

2. Replacement of all fixed equipment including water heater, dishwasher, automatic door opener, heating/ventilation and air conditioning;
  3. Roofing repairs and replacement;
  4. Exterior door and window repair/replacement when damage is covered by insurance;
  5. Replacement and repair of all items covered under the insurance policy of DDSN;
  6. Fire alarm inspection and certification of the sprinkler system;
  7. Maintenance of termite bond and protection as deemed prudent by DDSN;
  8. Annual inspection of residences by the DDSN Regional Center Maintenance Director or appointed staff;
  9. Adequate funding in the management contract budget to assist with items listed below as board/provider responsibilities.
  10. The board/provider should contact the DDSN Regional Center Office/Maintenance Director on any of the above issues.
- B. Boards/Providers will be responsible for all routine interior and exterior maintenance of residences. These costs will be included in the boards/providers budget for the residences. The board/provider shall:
1. Take all reasonable actions to safeguard the facility and fixed asset items (FAS), as required contractually, from theft, destruction, or loss of any kind. (DDSN will carry insurance on the Facility and DDSN owned furnishings, for hazard and loss protection.)
  2. Maintain the premises and fixed assets items in good order and in substantially the same condition as received, excepting reasonable wear-and-tear and damage by fire or other causality over which the contractor has no control as follows:
    - a. maintenance of all appliances including the washer, dishwasher, dryer, refrigerator, stove, freezer, and ice machine as applicable;
    - b. all interior and exterior caulking and painting on a recommended frequency of once every three (3) years or on an as-needed basis;

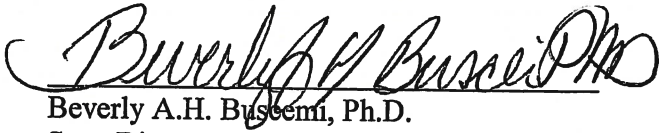
replace windows and doors when damage results from failure to maintain caulking and painting.

- c. repair/replacement of all interior doors, door frames, floor coverings, cabinets and counter tops, tile work, and ceilings (unless damaged by water leaks);
- d. replacement of light switches, lighting fixtures, emergency light batteries, and electrical receptacles (to be done by licensed electrician using same quality materials);
- e. watering, pruning, and fertilizing of landscaping including replacement of shrubbery, as required;
- f. mowing of grassed area;
- g. regular cleaning and maintenance of rain gutters and diverters;
- h. installation and maintenance of television antennas and/or cable;
- i. installation and maintenance of door exit alarms;
- j. maintenance and repair of water-line leaks and leaky fixtures;
- k. maintenance and repair of sewer-line blockage;
- l. replacement of window sash/screen, if broken, by accident, by client or staff and not otherwise covered by insurance;
- m. maintenance and upkeep of outdoor equipment and furnishing such as basketball goal, other sports equipment, patio furniture, etc.

- C. In addition, the provider agrees to the following in regard to any fixed assets items associated with the residence:
- 1. keep accurate records, as required by DDSN, for the maintenance and accountability of the building and fixed assets items and inform DDSN promptly of any lost, stolen, or damaged fixed assets items or of any damage to the building or permanent fixtures;
  - 2. return or arrange for the return of fixed assets items that are mutually agreed by DDSN and the board/provider to be beyond repair or to be no longer required for the operation of the community residence and refrain from removing any fixed assets items from the residence without the approval of DDSN;

3. replace any fixed asset items returned to DDSN and include the expense as part of the cost of operation of the community residence under the management contract; consistent with federal regulations and generally accepted accounting principles;
- D. The board/provider further agrees to indemnify DDSN from any liability from the use or possession of any fixed asset items and of the building and permanent fixtures.
- E. The board/provider shall make no modification, renovation, or alteration to the facility without express written authority from the Engineering & Planning Division of DDSN. Types of alterations would include, but not be limited to:
- dividing or opening rooms by adding or removing interior walls;
  - cutting new door/window openings;
  - in-filling existing door/window openings;
  - cutting existing doors;
  - removing door closers;
  - modifying the fire alarm system;
  - additions such as a carport, covered entry, and/or patio cover, etc.
- F. It is also the intent of this policy that the board/provider shall assist DDSN in the procurement of annual maintenance contracts. The board/provider shall assist in acquiring proposals and forwarding them to the DDSN District Office for award of contract. The maintenance/service contract specifications shall be generated by the DDSN Engineering & Planning Division and shall basically consist of items outlined in paragraph "A" above.
- G. The board/provider shall comply with DHEC and DDSN requirements for design by professionals and plan review by authorities having jurisdiction, as appropriate and in consultation with the Engineering & Planning Division of DDSN.

  
\_\_\_\_\_  
Tom Waring  
Associate State Director-Administration  
(Originator)

  
\_\_\_\_\_  
Beverly A.H. Buscemi, Ph.D.  
State Director  
(Approved)

## Attachment B

Mary Poole  
State Director  
Patrick Maley  
Deputy Director  
Rufus Britt  
Associate State Director  
Operations  
Susan Kreh Beck  
Associate State Director  
Policy  
W. Chris Clark  
Chief Financial Officer



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COMMISSION  
Gary C. Lemel  
Chairman  
Robin B. Blackwood  
Vice Chairman  
Lorri S. Unumb  
Secretary  
Barry D. Malphrus  
Eddie L. Miller  
Stephanie M. Rawlinson  
David L. Thomas

Reference Number: 300-05-DD  
Title of Document: Maintenance Management Contract Requirements for Properties Owned by DDSN and Operated by Local County Providers  
Date of Issue: February 8, 1990  
Effective Date: February 8, 1990  
Reviewed Date: March 23, 1992  
Last Review Date: June 18, 2020  
Date of Last Revision: June 18, 2020 (REVISED)  
Applicability: All DDSN "State Owned" Licensed Homes and Facilities

1. Purpose

The purpose of this directive is to establish maintenance and emergency repair responsibilities pertaining to residential and non-residential properties owned by DDSN and operated by local county providers. It is the policy of DDSN to ensure the structural soundness of facilities; ensure cost effective preventive maintenance on residences; and ensure that facilities promote health, safety, and welfare of individuals supported.

To achieve the goals stated above, DDSN and boards/providers shall divide responsibilities for maintenance, repairs, and replacement as follows:

2. Procedure

A. DDSN mandates that the board/provider submit to DDSN proof of home insurance. Until such time the properties are deeded to providers, any premiums incurred by DDSN related to insuring the properties will be billed to and reimbursed by providers.



DDSN does not provide routine interior and exterior maintenance and upkeep for state owned community residential homes and facilities. Inspection of these settings is conducted annually.

- B. Boards/Providers will be responsible for all routine interior and exterior maintenance and upkeep of residences and facilities. These costs are included in the boards/providers budget. The board/provider shall be responsible for:
1. Preventative maintenance/repair of the fire alarm system, sprinkler system, if applicable, on all fixed equipment including the water heater, dishwasher, and heating/ventilation and air conditioning through annual maintenance/service contracts.
  2. Replacement of all fixed equipment including water heater, dishwasher, automatic door opener, heating/ventilation and air conditioning;
  - \*3. Roofing repairs and replacement;
  - \*4. Exterior door and window repair/replacement when damage is covered by insurance;
  - \*5. Replacement and repair of all items covered under the insurance policy of DDSN;
  6. Fire alarm inspection and certification of the sprinkler system;
  7. Adequate funding in the management contract budget to assist with items listed below as board/provider responsibilities.
  8. The board/provider should contact the DDSN Regional Center Office/Maintenance Director on any of the above issues listed in items 3, 4, and 5 of this section and denoted with an asterisk above.
  9. Take all reasonable actions to safeguard the facility and fixed asset items (FAS), as required contractually, from theft, destruction, or loss of any kind. (DDSN will carry insurance on the Facility and DDSN owned furnishings, for hazard and loss protection.)
  10. Maintain the premises and fixed assets items in good order and in substantially the same condition as received, excepting reasonable wear-and-tear and damage by fire or other causality over which the board/provider has no control in coordination with licensing requirements as follows:
    - a. Maintenance of all appliances including the washer, dishwasher, dryer, refrigerator, stove, freezer, and ice machine as applicable;

- b. All interior and exterior caulking and painting on a recommended frequency of once every three (3) years or on an as-needed basis; replace windows and doors when damage results from failure to maintain caulking and painting.
  - c. Repair/replacement of all interior doors, door frames, floor coverings, cabinets and counter tops, tile work, and ceilings (unless damaged by water leaks);
  - d. Replacement of light switches, lighting fixtures, emergency light batteries, and electrical receptacles (to be done by licensed electrician using same quality materials);
  - e. Watering, pruning, and fertilizing of landscaping including replacement of shrubbery, as required;
  - f. Mowing of grassed area;
  - g. Regular cleaning and maintenance of rain gutters and diverters;
  - h. Installation and maintenance of television antennas and/or cable;
  - i. Installation and maintenance of door exit alarms;
  - j. Maintenance and repair of water-line leaks and leaky fixtures;
  - k. Maintenance and repair of sewer-line blockage;
  - l. Replacement of window sash/screen, if broken, by accident, by client or staff and not otherwise covered by insurance;
  - m. Maintenance and upkeep of outdoor equipment and furnishing such as basketball goal, other sports equipment, patio furniture, etc.
- C. In addition, the provider agrees to the following in regard to any fixed assets items associated with the residence:
- 1. Keep accurate records, as required by DDSN, for the maintenance and accountability of the building and fixed assets items and inform DDSN promptly of any lost, stolen, or damaged fixed assets items or of any damage to the building or permanent fixtures;
  - 2. Replace any fixed asset items returned to DDSN and include the expense as part of the cost of operation of the community residence under the management contract; consistent with federal regulations and generally accepted accounting principles;

300-05-DD  
June 18, 2020  
Page 4

- D. The board/provider further agrees to indemnify DDSN from any liability from the use or possession of any fixed asset items and of the building and permanent fixtures.
- E. The board/provider shall make no modification, renovation, or alteration to the facility without express written authority from the Engineering & Planning Division of DDSN. Types of alterations would include, but not be limited to:
  - Dividing or opening rooms by adding or removing interior walls;
  - Cutting new door/window openings;
  - In-filling existing door/window openings;
  - Cutting existing doors;
  - Removing door closers;
  - Modifying the fire alarm system;
  - Additions such as a carport, covered entry, and/or patio cover, etc.
- F. The maintenance/service contract specifications shall be generated by the DDSN Engineering and Planning Division and shall basically consist of items outlined in paragraph “B” above.
- G. The board/provider shall comply with DHEC and DDSN requirements for design by professionals and plan review by authorities having jurisdiction, as appropriate and in consultation with the Engineering and Planning Division of DDSN.

DocuSigned by:  
*Robin Blackwood*  
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\_\_\_\_\_  
Robin Blackwood  
Vice-Chairman

DocuSigned by:  
*Gary Lemel*  
8DA38A4E5FA94BF...  
\_\_\_\_\_  
Gary Lemel  
Chairman

# Attachment C

Provider/Facility	Facility Type	Recommended Cost to Settle
<b>Anonymized</b>		
	ICF	\$20,000
	ICF	\$20,000
	CRCF	\$10,000
	CRCF	\$25,000
	CTHII	\$36,500
	CTHII	\$21,500
	CTHII	\$9,500
	CRCF	\$10,000
	CRCF	\$25,000
	ICF	34,000
	ICF	28,500
	ICF	\$20,000
	CTHII	\$21,500
	ICF	\$10,000
	CTHII	\$16,500
	ICF	\$28,800
	CRCF	\$8,000
	CTHII	\$4,000
	ICF	\$15,000
	ICF	\$20,000
	CTHII	\$5,000
	CRCF	\$10,000
	CRCF	\$5,800
	CTHII	\$5,200
	CRCF	\$5,000
	CRCF	\$15,500
	CRCF	\$13,000
	Program	\$50,000
	ICF	\$11,000
	Admin	\$0
	ICF	\$16,000
	CTHII	\$6,500
	CRCF	\$8,500
	CRCF	\$14,500
	ICF	\$23,500
	ICF	\$14,000
	CRCF	\$39,000
	CRCF	\$18,500
	CRCF	\$7,500
	CRCF	\$22,500
	CRCF	\$18,000
	Program	\$50,000
	ICF	\$21,500
	ICF	\$6,000
	CTHII	\$36,500
	CTHII	\$1,500
	Admin	\$0
	ICF	\$28,000
	ICF	\$30,500
	CTHII	\$23,250
	CTHII	\$21,500
	CRCF	\$0
	CRCF	\$0
	ICF	\$11,500
	Program	\$50,000
	Program	\$50,000
	ICF	\$14,500
	CRCF	\$13,000
	CRCF	\$25,500
	10% Contingency =	\$106,855
	<b>Total =</b>	<b>\$1,175,405</b>

Transition to Fee-for-Service (FFS) Information for Finance Directors

- A. Cash Flow Impact of the Transition from Capitated Board Bands and Private Provider (PP) Bundled Rates: Both capitated Board Bands and PP bundled monthly rates will remain in place and paid in the exact same manner until the Go-Live date, tentatively scheduled for March 2022. Additionally, after each month starting in January 2022 until the Go-Live date, DDSN will calculate each Board and PP’s FFS revenue for the prior month using the new IDR Waiver Rates. If FFS is greater than the band or bundled rate payment for a Board, DDSN will pay the difference in a separate payment to that Board. For PPs, if FFS is greater than the bundled rate payment, DDSN will pay the higher amount in the PP’s retrospective payment. For both Boards and PPs, if the FFS calculation is less, there will be no recoupment during this transition period.

The last band payment will be approximately two weeks prior to the Go-Live date. On the Go-Live date, providers will then be able to bill Medicaid services in the SCDHHS Portal, which pays on a weekly basis. This will permit providers to control the frequency of their billings to minimize the impact on their cash flow, particularly Boards transitioning from prospective payments to retrospective payments.

- B. Direct Billing to SCDHHS: Providers will start billing SCDHHS direct for all Medicaid services on the Go-Live date tentatively scheduled for March 2022. Starting soon, SCDHHS will coordinate training for each provider regarding Medicaid enrollment and Medicaid billing through its Internet Portal.

Therap is adding a direct billing module and is expediting completion in attempt to be ready by the Go-Live date. However, the availability of the Therap billing module on the Go-Live date cannot be guaranteed at this time. When completed, it will permit Therap’s current automated invoicing capabilities for services to be leveraged to simplify each provider’s direct billing of services to SCDHHS through Therap. Therap will provide trainings to Boards and PPs for use of the billing module.

- C. Transition of Current Waiver Residential Band/Bundled Rate Payment Classification to the New Eight IDR Waiver Renewal Tiers: Individuals receiving residential services were mapped to the new residential tiers based on the definitions outlined in the ID/RD Waiver document, previous funding band assignment, and location of services. General mapping of band to tier is included below. DDSN is currently analyzing the initial mapping to identify unique situations that may require further review. DDSN will inform provider agencies of assignments and will ensure providers have an opportunity to identify any problematic areas.

DDSN Current Residential Capitated/Bundled Rate Waiver Services (15 Total Service Settings)	New Individual Residential Waiver Services with Individual Rates (8 Total Service Settings)	New IDR Waiver Renewal Individual Residential Rates
3-Person Group Home: High Management	3-Person Group Home: High Management	\$427.93
4-Person Group Home: Forensic/Criminal Offender (22)	4-Person Group Home: Tier 4	\$364.38
4-Person Group Home: High Management (Band 21)	4-Person Group Home: Tier 3	\$308.36
4-Person Group Home: Depop-Residential (Band R)		
4-Person Group Home: "H+" (Band H + Built-In Outlier)	4-Person Group Home: Tier 2	\$263.55
4-Person Group Home: High Needs (Band H)		
4-Person Group Home: Low Needs (Band G)	4-Person Group Home: Tier 1	223.55
High Needs SLP II aka SLP III (Band W)	SLP II	\$91.84
Low Needs SLP II (Band C)		
CTH I Enhanced (Band F)	CTH I Tier 2	\$112.43
CTH I Non-Enhanced (Band E)	CTH I Tier 1	\$81.75
Therapeutic Family Homes III (former SFH) [to be discontinued]	CTH I Tier 2	\$112.43
Therapeutic Family Homes II (former SFH) [to be discontinued]	CTH I Tier 2	\$112.43
Therapeutic Family Homes I (former SFH) [to be discontinued]	CTH I Tier 1	\$81.75
CIRs [to be discontinued]	Merge into SLP II	\$91.84
	Merge into 4-Person Group Home Tier 1	\$223.55

- D. 60-Day Bed Vacancy Rate Payments: DDSN has historically paid a 30 day bed vacancy payment when a bed turns over. During COVID-19, DDSN increased the payment to 60 days. Since the Public Emergency remains in effect, the 60 day bed vacancy policy will continue to the Go-Live date and then be discontinued as part of the transition.
- E. Outliers: DDSN and SCDHHS are in discussions regarding how to address outliers in FFS. When available, this information will be disseminated. An important element in the new residential settings is having four Tiers in CTH II/CRCF settings. This was designed to have a broad continuum of service levels, which can better address service changes to a higher needs level with a Tier change rather than an outlier. The language for Tier 4 has been broadened to read, “Tier 4 to reflect “may have been involved in the criminal justice system ***and individuals with severe behaviors requiring heightened staffing levels***” with the bold and italicized language reflecting the expanded language. This was written to capture those individuals who require increased staffing levels similar to those who have been involved in the criminal justice system.
- F. Leveraging Therap and Other DDSN Applications to Generate Reporting to Support Direct Billing to SCDHHS Portal: DDSN will establish a working group with providers to establish formal processes and best practices to leverage existing DDSN collection tools, data, and reporting to assist providers entering Medicaid billable data into the SCDHHS Portal. If Therap is able to guarantee availability for billing on the Go-Live date, then this activity can be adjusted accordingly. We expect to have an update on this during the DDSN-Provider meeting on December 20.
- G. Establish a Financial Technical Assistance Program: DDSN will issue a Request for Proposal to establish a qualified provider list of financial experts in our industry to deliver financial technical assistance to providers experiencing financial problems. DDSN will establish a Financial Technical Assistance Program to coordinate deploying these financial experts to financially at-risk providers. DDSN will fund all contractor expenses.
- H. ADT Process: There will be **NO CHANGE**, except the setting descriptions will be the new IDRDR Tiers rather than the current bands/bundled rates.
- I. Service Contracts: The current Board capitated and QPL bundle rate contracts will be in effect through the Go-Live date and then be terminated. A new contract for FFS will be developed and given to the provider network in order to enroll as a SCDHHS provider. This new FFS contract will go into effect on the Go-Live date.

All new Waiver providers will be qualified by DDSN through a new direct application process. For all other DDSN service providers (e.g., Case Management, Early Intervention), these providers will continue to be enrolled through a fixed bid contract.

- J. Adjustments to Existing Policies: DDSN has a variety of policies, including but not limited to financial, in its directives and manuals impacting providers. From a financial perspective, many of these policies were driven by DDSN’s role as the “provider of record” or support activities ensuring capitated bands operate effectively. As a result of ceasing capitated bands and providers will soon bill SCDHHS direct, DDSN will be combing through all directives and manuals to identify these policies/issues to eliminate or modify to fit our full transition to a FFS model. One example is the merit or even authority to place a cap on Executive Directors’ salaries. We will continue to communicate regarding the review of policies.

**Impact or No Impact of Eliminating Bands/Bundled Rates on Other Existing Individual Payment Processes**

- K. ICF/IID Community (ICF): Currently, ICFs are paid through band payments, which will continue through the Go-Live date. **THIS WILL CHANGE**. Starting on the Go-Live date, DDSN will make billing arrangements with providers to pay with the process emphasizing lessening an impact on cash flow. Several options are being considered; specific details will be forthcoming. Current outliers and ICF medical funds will continue.
- L. Early Intervention (35% State Funded): Currently, service provider puts notes into Therap; a separate automated invoice generated from CDSS is paid. **NO CHANGE**.
- M. State Funded Case Management: Currently, case managers puts notes into Therap; a separate automated invoice is generated from CDSS and paid. **NO CHANGE**.
- N. State Funded Follow Along for Employment (Band Q): Currently, attendance is entered into DSAL; a separate automated invoice is generated from CDSS and paid. **NO CHANGE**.
- O. State Funded Family Support: Currently, the annual budget of \$1.2 million is disbursed through bi-monthly payment schedules. **THIS WILL CHANGE**. These funds will be continued to be paid in the bands through the Go-Live date. Then, payments will be made on a monthly basis paid via an EFT. DDSN will be integrating all state funded services under one Program Manager, who will develop funding process for FY23 by late Spring 2022.
- P. State Funded Household Employer Assistance: Currently, case managers submit individual/family's costs to DDSN-Waiver Division for up to \$175 for getting caregiver approved through Respite Coalition. Waiver Division approves and forwards to Finance Division for payment. **NO CHANGE**.
- Q. State Funded Eligibility Intake: Currently, Eligibility Division inputs payment data into Therap. On a monthly basis, Finance Division runs a Therap report to create invoices which are paid. **NO CHANGE**.
- R. State Funded Waiver Enrollment Fee: Currently, the Waiver Division inputs waiver enrollment fee data. The Finance Division runs a report every two months, which is then paid through the bi-monthly payment schedule. **THIS WILL CHANGE**. After the Go-Live date, DDSN will generate invoices from the Waiver Division's report which will be paid individually through EFTs.
- S. State Funded HASCI PARI Program: Currently, service provider invoice routed to HASCI Division for approval followed by routing through DDSN-Budget for tracking and then Accounts Payable processes the EFT payment. **NO CHANGE**.
- T. State Funded Alternative Residential: Currently, service provider invoice routed to Ops Division for approval followed by routing through DDSN-Budget for tracking and then Accounts Payable processes the EFT payment. **NO CHANGE**.
- U. State Funded "Over-Enrolled" Day Program Individuals: Currently, "over-enrolled" individuals (legacy practice) service units are entered into DSAL and aggregated separately. However, there has been no payment since the conversion of Bands B & I on 1/1/21. **THIS WILL CHANGE**. Many of the "over-enrolled" legacy list individuals now have a waiver or have been removed due to no longer attending. The remaining 20 will be placed into a



Community Supports Waiver or a state funded “Band A” slot. Additionally, DDSN will calculate all back payments in DSAL since 1/1/21 and make payment to the providers.

- V. State Funded HASCI Transition Centers: Currently, providers are paid via the bi-monthly payment schedules. **THIS WILL CHANGE**. After the Go-Live date, these will be paid via monthly EFTs.
- W. State Funded Residential: Currently, 58 state funded individuals are paid with a band through the bi-monthly payment schedule or monthly Private Provide/QPL invoice. **THIS WILL CHANGE**. On the Go-Live date, providers will retrospectively bill state funded residential separately to DDSN.
- X. State Funded Community Supports (Band A):
  - a. Day & Individual Employment: Currently, attendance is entered into DSAL; a separate automated invoice is generated from CDSS and paid. **NO CHANGE**.
  - b. Other Services: Currently, service provider submits its invoice to DDSN through the RBC Portal; DDSN-SURB verifies “Band A” enrollment & authorization and pays. **NO CHANGE**.
- Y. Environmental Mods, Private Vehicle Mods, and Assistive Technology: Currently, service vendors submit invoices directly to DDSN-SURB, which pays the invoice followed by DDSN billing Medicaid. **THIS WILL CHANGE**. On the Go-Live date, service vendors must be enrolled in Medicaid and bill SCDHHS directly.
- Z. Board Billed Respite and Companion Services: Currently, Boards submit invoices to DDSN-SURB, which then pays the invoice via an electronic funds transfer (EFT) followed by DDSN billing Medicaid. **THIS WILL CHANGE**. Upon the start of EVV now scheduled for mid-March, Boards will direct bill SCDHHS for both services. If EVV is delayed until after the Go-Live date, then Boards will bill both services through the SCDHHS Portal until EVV begins.
- AA. In-Home Supports via Appendix K: Currently, 90 individuals submit invoices into a DDSN manual process to make payments. This current process will remain until the Appendix K authority to operate this service ends. **NO CHANGE**.
- BB. Miscellaneous Contracts Paid Monthly or Quarterly via Payment Schedule: Currently, the bi-monthly payment schedule processes payments for five miscellaneous contracts. **THIS WILL CHANGE**. These five contracts will continue to be paid at their current monthly/quarterly frequency, but will be processed as individual EFTs through Accounts Payable.

### FY22 Spending Plan VS Actual Expenditures as of 11/30/2021

Category	Spending Plan	Cash Expenditures YTD	SCDHHS Monthly "Wash" Expenditures with Revenue YTD *	Total Monthly Expenditures YTD	Remaining Spending Plan	Spending Plan Deviation with Actual
DDSN spending plan budget	\$ 851,170,837	\$ 294,258,385	\$ 59,064,073	\$ 353,322,458	\$ 497,848,379	<b>REASONABLE</b>
Percent of total spending plan remaining	100.00%	34.57%	6.94%	41.51%	58.49%	
% of FY Remaining					58.33%	
Difference % - over (under) budgeted expenditures					-0.16%	

\* In Nov, 2021, providers billed & paid by SCDHHS for approximately \$78.1 million in services (waiver services + state plan services). DDSN paid the \$19.1 million state match to SCDHHS recorded as a cash expenditure and the \$59,064,073 difference was the "wash" Medicaid reimbursement revenue & expense added to maintain "apples to apples" comparison to FY22 spending plan.

Methodology & Report Owner: DDSN Budget Division