

## 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

**August 10, 2022**

**3:30 p.m.**

1. Call to Order *Robin Blackwood, Committee Chair*
2. Statement of Announcement *Robin Blackwood, Committee Chair*
3. Invocation *Robin Blackwood, Committee Chair*
4. Adoption of the Agenda
5. Review Minutes from the July Meeting **Pages 2-6**
6. Finance and Audit Committee Procedures **Pages 7-9** *Robin Blackwood, Committee Chair*
7. FY23 Spending Plan **Pages 10-17** *Nancy Rumbaugh*
8. Financial Update **Page 18** *Nancy Rumbaugh*
9. Update on Appraised Value  
York County Property on Diane Road-1.6 acres **Page 19** *Andrew Tharin*
10. Internal Audit Update *Courtney Crosby*
11. Chief Financial Update *Nancy Rumbaugh*
12. Next Meeting Date – TBD
13. Adjournment

## FINANCE AND AUDIT COMMITTEE AGENDA

Commission of the South Carolina Department of Disabilities and Special Needs  
3440 Harden Street Extension  
Conference Room 180 (TEAMS)  
Columbia, South Carolina

July 6, 2022

3:30 p.m.

In attendance: Robin Blackwood, Chair; Barry Malphrus; Michelle Woodhead; Stephanie Rawlinson; Michelle Fry; Courtney Crosby; Lori Manos; Janet Priest; Candis Golston; Greg Meetze; Debbie Punzirudu; Nancy Rumbaugh; Preston Southern; Andrew Tharin; and Kimberly Cochran.

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

The meeting was called to order at 3:30 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. Invocation *Robin Blackwood, Committee Chair*

Commissioner Blackwood gave the invocation.

4. Adoption of the Agenda

Brief Summary: Agenda was presented for approval.

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

Committee Vote(s) (if any): Commissioner Malphrus made a motion to approve the agenda as written, seconded by Commissioner Woodhead and unanimously approved by the committee.

5. Review Minutes of the June 6, 2022 Meeting

Brief Summary: The June 6, 2022 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 approve the minutes as written, seconded by Commissioner Woodhead and unanimously approved by the committee.

6. Financial Approval & Threshold Report  
Lawn Care Service for Central Office

*Candis Golston*

Brief Summary: Ms. Golston presented an Invitation for Bid (IFB) that was issued on April 29, 2022 for Ground Maintenance Services for Central Office. The bid opening on May 27, 2022. Three (3) bids were received with the lowest bid in the amount of \$255, 060 over a five (5) year period with a one-time fee for the vendor to perform a clean-up service around the generator. Ms. Golston pointed out that there is a convenience clause to terminate at the end of each year (one-year contract with four renewals). The total potential contract award with the one-time service is \$257,010. This is a routine solicitation and does not require a formal vote from the commission; only approval from the committee.

Committee Member(s) Guidance (if any): Chairman Rawlinson announced that a part of the commission's legislative agenda for next year is to work closely with our providers to allow our consumers to do some of this type work. Dr. Fry stated that Ms. Golston has been working the State Materials Management Office (MMO) to assist with employing our consumers to fulfill this type of work for the agency. Commissioner Malphrus asked someone to make a note to see if entities such as SC Vocational Rehabilitation are able to provide work for our consumers.

Committee Vote(s) (if any): Commissioner Malphrus made a motion to approve the IFB, seconded by Commissioner Woodhead and unanimously approved by the committee.

7. Annual Report of all Non-Service Expenditures by Vendor  
Over \$200,00

*Nancy Rumbaugh*

Ms. Rumbaugh presented on the FY 22 vendors with purchase orders over \$200,000. Ms. Rumbaugh suggested that in the future the committee wait until the month of August to view the data to ensure that the information presented will be show information for the full year.

Commissioner Blackwood requested that the completed report be sent to the committee once it has been finalized.

8. Financial Update

*Nancy Rumbaugh*

Ms. Rumbaugh presented the spending plan vs. actual expenditures as of June 29, 2022. To date, the agency is 4.57% under budget.

Commissioner Rawlinson requested that a comparison of the data from last year and the current year be presented at the next Commission meeting.

9. Sale of Property Update  
York County Property on Diane Road – 1.6 acres

Mr. Tharin provided an update on the DDSN owned property in York County on Diane Road. At last month’s committee meeting, the committee requested an updated appraisal of the property. In April 2019 the property was appraised at \$20,000. The appraisal obtained on June 21, 2022 shows the market value of the property as \$35,000. Once the lots are fully approved as surplus property by all involved parties, DDSN will move forward through the Division of Real Property Services, State Fiscal Accountability Authority’s (SFAA) to list the property with the state contracted realtor (CBRE) for marketing and selling the property. The property has to be sold on the open market at or above the appraised value. Proceeds from the sale will be split between DDSN and the State after reimbursing DDSN for its outlay for the appraisal.

Commissioner Blackwood requested that Mr. Tharin contact the real estate company to discuss an appropriate listing price and report those findings at the next committee meeting.

Mr. Tharin thanked Ms. Vicki Wilkes for all her hard work gathering information on the property.

Commissioner Malphrus made a motion to have Mr. Tharin contact the state-contracted real estate agent to discuss the appropriate listing price for the property. Mr. Tharin will update on the committee with that information at the next meeting. After reviewing the information from the real estate agent, the committee will decide on the sale of the property. The motion was approved by Commissioner Blackwood.

10. Consideration of Bids for Coastal 110 Roof Replacement

*Andrew Tharin*

Mr. Tharin presented the data on the roof replacement for the Highlands 110 dormitory building at the Coastal Center. The building’s roof was last replaced in 2021. This project was approved by the Commission on May 20, 2021 as part of the five-year Capital Permanent Improvement Plan (CPIP). At that time the project was budgeted at \$285,000 and was based on previous projects of a similar size and nature. The project was advertised through the South Carolina Business Opportunities (SCBO). The bidding process closed on May 25, 2022, with two (2) bids received, and the lowest bid at \$382, 836. Mr. Tharin stated that the significant increase in the estimated cost to complete the job is an industry-wide norm due to ongoing labor and supply chain issues from the Covid-19 pandemic. If approved, construction would begin in approximately three (3) months.

Commissioner Malphrus made a motion to move forward with the lowest bid. The motion was approved by Commissioner Blackwood.

**11. Internal Audit (IA) Update***Courtney Crosby*

Ms. Crosby began with the Agreed-Upon Procedures (AUP) Report; IA has completed the review of 34 of the 40 reports. There are six (6) reports in process. The review is complete for seven (7) of the nine (9) private providers with a year-end of June 30th. There are two (2) reports in process. There are three (3) private providers with a year-end of September 30th. Two (2) of the AUP reports have been reviewed and completed; IA has not received the third report. Reports were due on April 30th for 32 private providers with a year-end of December 31st. IA has received 31 of these reports; 23 are complete and reviews for eight (8) are in process. Contract reductions for 2021 are currently \$42,500. This total includes late audit reports, late agreed-upon procedures and late Corrective Action Plans (CAPs). IA has completed field work on all but two (2) engagements (one (1) audit and one (1) Technical Assistance Visit (TAV)) included in the audit plan for FY 22. Both of these engagements were management requests that were added to the plan. We will account for the hours needed to complete these engagements in the FY 23 audit plan. There are several engagements in the workpapers review/reporting state and should have final engagement communications issued shortly.

IA is continuing to work on the FY 23 audit plan. Additional work is still needed on the risk assessment. It is anticipated that the FY 23 audit plan will be complete by the August Finance and Audit and Commission meeting. The final FY 23 audit plan will be presented for approval once it is complete. The FY 23 audit plan includes the two (2) carry-forward engagements from the FY 22 audit plan along with the follow-up procedures on CAPs, which will be our focus until the FY 23 audit plan is presented for approval.

IA has completed several follow-up procedures since the June Finance and Audit committee meeting. IA is working to finalize the memos they issue to management once a follow-up is complete and will update the tracking report to include those results. Ms. Crosby will email a copy of the updated tracking report to the committee in advance of the July Commission meeting.

**12. Chief Financial Update***Nancy Rumbaugh*

Ms. Rumbaugh began by stating that the FY 21 cost reports were uploaded to the Department of Health and Human Services (HHS) on June 28, 2022. Cost reports for FY 20 are in progress and are on schedule for completion. FY 20 reports are due HHS on August 14, 2022. The State Auditor's Agreed-Upon Procedure (AUP) audit is on schedule for completion. DDSN expects to receive communication on the findings this week. The Department of Transportation (DOT) grant for the ADA van was submitted on time.

Ms. Rumbaugh reminded the committee that for FY 23 DDSN received \$10,034,000 in new State funding which included \$8.9 million for DDSN's priority 1 and priority 2. With Fee-for-Service (FFS), that \$8.9 million will be transferred to HHS for the current year and also built into the FY 24 Budget Request as a permanent transfer for HHS.

13. Next Meeting Date and Time: TBD

14. Adjournment

There being no further business, at 4:14 p.m. on a motion by Commissioner Malphrus and seconded by Commissioner Woodhead, the meeting was adjourned.

**DSN Commission Finance and Audit Committee Procedures**  
**Commission Approved January 21, 2021**

This document sets forth the procedure to be used by the Finance and Audit Committee (the Committee) of the South Carolina Commission on Disabilities and Special Needs (the Commission).

**I. SCOPE:**

The Committee provides assistance to the Commission in fulfilling its oversight responsibilities relating to budgeting, accounting and financial reporting processes, and the performance of the internal audit function. The Committee will oversee South Carolina Department of Disabilities and Special Needs (DDSN) management processes and activities relating to:

- a. Maintaining the reliability and integrity of DDSN's accounting policies, financial reporting practices, and internal controls;
- b. Review significant accounting and reporting developments and issues;
- c. The performance and work plan of the internal audit function in accordance with DDSN Directive 275-05-DD: General Duties of the DDSN Internal Audit Division;
- d. Compliance with applicable laws, regulations, and DDSN directives;
- e. Review and approval of the annual operating and capital budgets, as well as any amendments;
- f. Analyzing financings and capital transactions being considered by DDSN and the adequacy of its capital structure;
- g. Review of DDSN fiscal related directives; and
- h. Review of DDSN fiscal regulatory and oversight reports.

The Committee also provides an open avenue of communication between DDSN management, Internal Audit, and the Commission.

Consistent with the annual audit plan, the Committee has the authority to conduct or authorize investigations into any matters within its scope of responsibility. Inquiry and briefings on all significant financial matters along with related presentations and motions for full Commission approval originate from the Committee.

**II. COMMITTEE MEMBERSHIP:**

The Chair of the Commission will appoint members to the Committee. The Committee will consist of at least three (3) members of the Commission. Members will be sought that have relevant experience and/or fiscal expertise, but this is not a limiting factor related to Committee Membership. The members of the Committee will be appointed and may be removed by the Chair.

### III. MEETING FREQUENCY:

The Committee will meet monthly or as determined by the Committee Chairperson based on the workflow of DDSN. Meetings of the Committee may be called by or at the request of the Commission, any member of the Committee, or the Chair of the Commission. Meetings will be held at the time and place designated in the meeting notice. The Chief Financial Officer, in coordination with other members of Executive Management, will prepare a suggested committee meeting agenda and share with the Committee Chair at least five days in advance of the scheduled meeting. Notice of the time, place, and agenda of the meetings will be posted as prescribed by the By-Laws and the South Carolina Freedom of Information Act. A majority of the appointed Committee members will represent a quorum and the actions of a quorum of the Committee shall be the act of the Committee. The Committee will retain minutes of each meeting.

### IV. PROCEDURE:

#### A. Financial Reports/Budgets/Spending Plans

The Committee will consult with management concerning annual spending plans and budget processes, review budgets, projections of future financial performance, analysis of the financial effect of proposed transactions, borrowings, and capital structure. The Committee will review financial information with management in most cases before the information is presented to the Commission. The Committee will assist the Commission in analyzing financial information that is presented to them for review. The Committee will advise the Commission of finance matters that it believes require Commission attention.

Routine Committee business includes review and approval of staff prepared budgets, projects, and financial plans for general reasonableness of the underlying assumptions. The Committee will provide recommendations of approval or modification to the Commission.

#### B. Directives

The Committee shall receive fiscal-related directives for review and revision as referred by the DSN Commission Policy Committee or as referred by the Commission Chairman. Review and approval of directives follows Section III. A. of the Policy Committee Procedures: Committee Undertakes a Review of a Directive or Standards, listed below as adapted to conform to the Finance and Audit Committee.

“The Directive/Standard is reviewed by staff who will make revision recommendations regarding the document. A draft version, including staff recommendations, will be posted to the website and the public will have 10 business days to review and submit comments (see Directive 100-01-DD: Electronic Communications System).”

It is DDSN’s intent to solicit feedback/input from all entities affected by the directives/standards; however, in rare cases the 10 business day period may not occur due to extenuating circumstances.



Committee members will be given a copy of the suggested staff changes prior to posting for public comment. This effort will provide the Committee members a chance to give their input prior to the Directive being posted so that changes can be made prior to posting for public comment.

After the 10 business day public review period, staff will consider and respond to each comment; make additional changes to the Directive or Standards; and present the Directive or Standards to the Finance and Audit Committee at a scheduled meeting. The Committee members may request additional changes and will determine which changes will be accepted based on the comments as well as staff recommendations.

When a consensus is reached by the Finance and Audit Committee, a version representing this consensus will be created for presentation to the DSN Commission for approval. Following approval, the document will be posted on the DDSN website under “Current DDSN Directives” or “Current DDSN Standards.”

## DDSN FY 23 Spending Plan Summary

### Revenues:

State Funds - Recurring	\$	114,582,315
State Funds - Nonrecurring	\$	11,440,000
DHHS Waiver Revenue	\$	533,112,390
DHHS Waiver Participants - State Plan Medical	\$	111,367,947
DDSN Medicaid Reimbursements	\$	124,187,100
DHHS Greenwood Genetic Admin Contract	\$	1,189,000
DHHS DDSN Administrative Contract	\$	11,887,000
Respite Program - Self Directed Services	\$	24,024,600
Prevention (Greenwood Genetic Center)	\$	6,510,900
Education Improvement Act - DOE	\$	408,653
New Crisis Stabilization Initiative	\$	1,000,000
FY23 COLA Appropriation	\$	2,230,000
<b>Total State Appropriations &amp; Earned Revenue</b>	<b>\$</b>	<b>941,939,905</b>

### Expenditures:

Non-Recurring Items	\$	11,440,000
DHHS Waiver Revenue	\$	533,112,390
DHHS Waiver Participants - State Plan Medical	\$	111,367,947
Community ICF/DD	\$	56,224,987
Regional Centers	\$	103,664,303
Autism Community Homes	\$	1,800,000
Early Intervention	\$	13,600,000
Medicaid Targeted Case Management (MTCM)	\$	1,511,100
Respite Program - Self Directed Services	\$	23,507,240
State Funded Programs	\$	20,313,280
Prevention (Greenwood Genetic Center)	\$	11,945,200
Capital Improvement Projects Regional Centers	\$	3,500,000
DDSN State Owned ICF Maintenance	\$	2,300,000
DDSN Administrative Costs	\$	31,170,053
New Initiatives:		
ITAC	\$	185,000
Crisis Stabilization	\$	4,505,000
Youth Intensive Residential Capital for 4 Homes	\$	1,200,000
Effort of Maintenance	\$	1,939,391
Regional Centers Improvements	\$	3,933,000
Training Coop Grants	\$	400,000
Administration	\$	916,262
<b>Total Expenditures</b>	<b>\$</b>	<b>938,535,153</b>

<b>FY23 Net Operating Lapse/Deficit</b>	<b>\$</b>	<b>3,404,752</b>
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### FY22 Cash Carry Forward

FY22 Cash Carry Forward	\$	69,328,804
FY22 6.2% FMAP Revenue	\$	59,217,396
FY22 10% FMAP Revenue - TBD by DHHS		
<b>FY23 Cash Carry Forward</b>	<b>\$</b>	<b>128,546,200</b>

<b>FY23 Projected Available Cash</b>	<b>\$</b>	<b>131,950,952</b>
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DDSN FY23 Contractual Agreements				
Type of Contract	Provider Name	Contract #	Amount	Description
Child Day	Anderson	202324-03	\$ 192,016	Child Day Care Services
	Charleston	202324-10	\$ 125,578	
			\$ 317,594	<b>Total Child Day</b>
<b>Consultant Agreements</b>				
Central Office	Chris Legourd	N/A	\$ 40,000	Cost Report Consultant (Contract valid until 12/2022) \$40,000 max
Central Office	Erik Drasgow	N/A	\$ 28,800	Interdisciplinary Technical Advisory Committee (ITAC) \$150.00/hour
Central Office	Kathi Lacy	N/A	\$ 28,800	Interdisciplinary Technical Advisory Committee (ITAC) \$150.00/hour
Central Office	Palmetto Psychiatry Consultants, LLC	N/A	\$ 249,000	Psychiatric Services \$255/hour (\$249,000 max)
Central Office	Tallon Group	N/A	\$ 80,000	Legislative Consultant \$80,000
Coastal	Charleston ENT Associates, LLC	N/A	\$ 5,000	Audiological Services \$75/consumer (\$5,000 max for clinic)
Coastal	Coastal Medical Services	N/A	\$ 2,000	Podiatry Clinic Services - \$50/person not covered by insurance (\$2,000 max)
Coastal	MUSC (Dr. McLeod Frampton Gwynette)	N/A	\$ 55,200	Psychiatric Services - \$1,150/clinic (no more than 4 clinics/month, 10 per clinic & 3 hours duration) (\$55,200 max)
Coastal	Robert P. Turner dba Network Neurology Health, LLC	N/A	\$ 48,000	Neurology Services - \$4,000/clinic every month (\$48,000 max)
Midlands	Altman Footcare, P.A.	N/A	\$ 8,400	Podiatry Clinic Services - \$700/clinic (\$8,400 max)
Midlands	Delores Yvonne N. Means (Audiology Service)	N/A	\$ 5,000	Audiological Services - \$1,000/visit (\$5,000 max)
Midlands	John K. Baker, MD, LLC	N/A	\$ 9,000	Neurology Services - \$750/clinic (\$9,000 max)
Midlands	Mark Ayers, MD	N/A	\$ 78,000	Physician Services - \$100/hour (\$78,000 max)
Midlands	Thomas W. Talbert, Jr. DMD	N/A	\$ 10,000	Dental Services - \$100/hour (\$10,000 max)
Midlands	Trident Care (MobileX)	N/A	\$ 500	Radiology and EKG Services - \$75/service per staff or consumer without insurance (\$500 max)
Pee Dee	Hutto Rehab Services, LLC	N/A	\$ 42,000	Speech Pathology Services at Pee Dee Center - \$70/hour / \$3,500/month max (\$42,000 max)
Pee Dee	Hutto Rehab Services, LLC	N/A	\$ 42,000	Speech Pathology Services at Saleeby Center - \$70/hour / \$3,500/month max (\$42,000 max)
Pee Dee	Lowe's Rehabilitation Services, LLC	N/A	\$ 12,600	Occupational Therapy Services at Saleeby Center - \$70/hour / \$1,050/month max (15 hrs.) (\$12,600 max)
Pee Dee	Lowe's Rehabilitation Services, LLC	N/A	\$ 16,800	Occupational Therapy Services at Pee Dee Center - \$70/hour / \$1,400/month max (20 hrs.) (\$16,800 max)
Pee Dee	Morphis Pediatric Group	N/A	\$ 116,880	Proactive Service Provision / Comprehensive Medical Care - \$9,740/month (\$116,880 annual max)
Pee Dee	R. Joseph Healy, MD PA	N/A	\$ 18,000	Neurology Services at Pee Dee Center - \$1,500/clinic (\$18,000 max)
Pee Dee	R. Joseph Healy, MD PA	N/A	\$ 18,000	Neurology Services at Saleeby Center - \$1,500/clinic (\$18,000 max)
Pee Dee	Trident Care (MobileX)	N/A	\$ 500	Radiology and EKG Services - \$75/service per staff or consumer without insurance (\$500 max)
Piedmont	Foot Clinic of South Carolina	N/A	\$ 3,700	Foot Care Clinics - \$925/quarterly clinic (\$3,700 max)
Piedmont	NHC/OP K.P. dba NHC Rehabilitation	N/A	\$ 100,000	Speech Pathology Services - \$65/on site; \$26/ 1/2 hour travel; \$0.47/mile (\$100,000 max)
Piedmont	Robert P. Turner	N/A	\$ 45,000	Neurology Services at Whitten Center - \$3,500/clinic per month; \$250 travel expenses per month (\$45,000 max)
Piedmont	Theritage Rehab Services, Inc.	N/A	\$ 142,500	Physical Therapy Evaluation and Treatment - \$70/PT per hour; \$50/PTA per hour (\$142,500 max)
Piedmont	Trident Care (MobileX)	N/A	\$ 500	Radiology and EKG Services - \$75/service per staff or consumer without insurance (\$500 max)
Piedmont	William A. Burn, III, DMD, MAGD	N/A	\$ 20,000	Dental Services - \$150/hour (\$20,000 max)
Piedmont	William S. Owens, MD (Palmetto Bone and Joint)	N/A	\$ 6,000	Orthopedic Consultation Services - \$500/clinic (\$6,000 max)
			\$ 1,232,180	<b>Total Consultants Contracts Showed at Maximum level</b>
<b>Early Intervention</b>	Aiken	202321-01	\$ 161,200	Early Intervention Services
	Allendale-Barnwell	202321-02	\$ 62,000	
	Anderson	202321-03	\$ 142,600	
	Beaufort	202321-06	\$ 148,800	
	Berkeley	202321-07	\$ 71,300	
	Calhoun	202321-08	\$ 6,200	
	Charleston	202321-10	\$ 12,400	
	Cherokee	202321-11	\$ 43,400	
	Chesco	202321-13	\$ 62,000	
	Chester/Lancaster	202321-45	\$ 31,000	
	Clarendon	202321-14	\$ 43,400	
	Colleton	202321-15	\$ 21,700	
	Darlington	202321-16	\$ 49,600	
	Dorchester	202321-17	\$ 9,300	
	Hampton	202321-23	\$ 24,800	
	Horry	202321-24	\$ 93,000	
	Jasper	202321-25	\$ 9,300	
	Kershaw	202321-26	\$ 9,300	
	Laurens	202321-28	\$ 18,600	
	Lee	202321-29	\$ 21,700	
	Marion-Dillon	202321-30	\$ 65,100	
	MaxAbilities of York	202321-40	\$ 99,200	
	Newberry	202321-46	\$ 21,700	
	Oconee	202321-33	\$ 102,300	
	Orangeburg	202321-34	\$ 40,300	
	Richland-Lexington	202321-36	\$ 158,100	
	Sumter	202321-37	\$ 89,900	
	Thrive Upstate	202321-22	\$ 120,900	
	Union	202321-38	\$ 31,000	
	Williamsburg	202321-39	\$ 18,600	
	ABC's of Learning, LLC	202321-3896	\$ 9,300	
	About Play, LLC	202321-3854	\$ 1,497,300	
	Above and Beyond of Upstate	202321-3878	\$ 62,000	
	Achieving at Play, LLC	202321-3851	\$ 6,200	
	Aging with Flair, LLC	202321-3815	\$ 499,100	
	Ahead Start	202321-3801	\$ 570,400	
	All About Children, LLC	202321-3858	\$ 322,400	
	Amazing Kids, LLC	202321-3864	\$ 241,800	

DDS FY23 Contractual Agreements				
Type of Contract	Provider Name	Contract #	Amount	Description
	Awesome Kids Early Intervention Services	202321-3842	\$ 6,200	
	Better Beginnings Early Intervention	202321-3866	\$ 167,400	
	Beyond Early Intervention, LLC	202321-3852	\$ 241,800	
	Beyond the Stars Early Intervention, LLC	202321-3898	\$ 43,400	
	Bloom & Blossom, LLC	202321-3857	\$ 12,400	
	Bright Start	202321-3802	\$ 1,140,800	
	Brilliant Beginnings, LLC	202321-3803	\$ 62,000	
	Carolina Behavior & Beyond, LLC	202321-3828	\$ 713,000	
	Carolina Early Intervention, LLC	202321-3868	\$ 37,200	
	Coastal Early Intervention, LLC	202321-3844	\$ 55,800	
	Cornerstone Support Services, LLC	202321-3856	\$ 102,300	
	Easter Seals Society of SC	202321-3804	\$ 737,800	
	Engage in Play Early Intervention	202321-3855	\$ 21,700	
	Epworth Early Intervention Center	202321-3808	\$ 96,100	
	Exceptional Kids, LLC	202321-3900	\$ 9,300	
	Family Ties of SC, LLC	202321-3901	\$ 6,200	
	Great Kids and Awesome Adults	202321-3870	\$ 641,700	
	Hands on Developmental Services, LLC	202321-3812	\$ 93,000	
	I Shine, LLC	202321-3818	\$ 68,200	
	Kids First, LLC	202321-3805	\$ 15,500	
	Kid in Development	202321-3809	\$ 198,400	
	Lowcountry Early Intervention, LLC	202321-3891	\$ 37,200	
	Meeting Milestones EI Services	202321-3882	\$ 542,500	
	Milestones Developmental Services, LLC	202321-3902	\$ 12,400	
	Palmetto Early Intervention	202321-3840	\$ 201,500	
	Path Finders Team Services	202321-3848	\$ 173,600	
	Pattison's DREAM Academy	202321-3820	\$ 49,600	
	Pediatric Therapy of Aiken, LLC	203221-3814	\$ 71,300	
	Pee Dee Kids, LLC	202321-3850	\$ 31,000	
	Pee Dee Professional Interv	202321-3872	\$ 133,300	
	Peek-A-Boo EI	202321-3899	\$ 24,800	
	Play 2 Learn Early Intervention	202321-3886	\$ 114,700	
	Playworks, Inc.	202321-3807	\$ 248,000	
	Promising Futures	202321-3836	\$ 161,200	
	Ready, Set, Go! Early Intervention, LLC	202321-3894	\$ 96,100	
	Right Steps	202321-3883	\$ 15,500	
	Room to Bloom, LLC	202321-3884	\$ 170,500	
	Smart Start Early Intervention, LLC	202321-3880	\$ 52,700	
	Student Solutions	202321-3849	\$ 111,600	
	Therapy Solutions, LLC	202321-3806	\$ 62,000	
	Tina Greene & Associates	202321-3822	\$ 31,000	
	Tiny Feet Early Intervention	202321-3874	\$ 341,000	
			\$ 12,148,900	Total Early Intervention (Note: The amount of each contract was based on a rate of \$3,100 multiplied by the number of consumers)
<b>ICF</b>	Allendale	202301-02	\$ 2,825,976	Intermediate Care Facilities for Individuals with Intellectual Disabilities
	Babcock Center	202301-04	\$ 4,742,724	
	Berkeley Citizens	202301-07	\$ 1,883,984	
	Burton Center	202301-18	\$ 5,943,012	
	Calhoun	202301-08	\$ 3,856,703	
	Charleston	202301-10	\$ 941,992	
	Cherokee	202301-11	\$ 1,921,943	
	Chester/Lancaster	202301-45	\$ 1,908,984	
	Darlington	202301-16	\$ 2,041,763	
	Dorchester	202301-17	\$ 1,883,984	
	Florence	202301-20	\$ 4,709,960	
	Laurens	202301-28	\$ 1,883,984	
	Lee	202301-29	\$ 1,883,984	
	Newberry	202301-46	\$ 1,177,490	
	Orangeburg	202301-34	\$ 3,767,968	
	Sumter	202301-37	\$ 3,061,474	
	Thrive Upstate	202301-22	\$ 5,651,952	
	Tri-Development	202301-48	\$ 3,767,968	
	Union	202301-38	\$ 941,992	
			\$ 54,797,837	
<b>Family Support Respite</b>	Aiken	202329-01	\$ 19,338	Individual and Family Support Stipends and Respite State-Funded
	Allendale-Barnwell	202329-02	\$ 5,874	
	Anderson	202329-03	\$ 50,000	
	Arc of South Carolina	202329-148	\$ 68,178	
	Bamberg	202329-05	\$ 4,422	
	Beaufort	202329-06	\$ 15,708	
	Bright Start	202329-146	\$ 201,502	
	Calhoun	202329-08	\$ 2,838	
	Center for Developmental Services	202329-153	\$ 21,318	
	Central Office Care Coord.	N/A	\$ 344,786	
	Charles Lea	202329-09	\$ 36,828	
	Charleston	202329-10	\$ 70,488	
	Cherokee	202329-11	\$ 13,134	
	CHESCO Services	202329-13	\$ 15,972	
	Chester/Lancaster	202329-45	\$ 17,490	
	Clarendon	202329-14	\$ 7,458	
	Darlington	202329-16	\$ 19,998	
	Dorchester	202329-17	\$ 31,020	
	Florence	202329-20	\$ 26,796	
	Georgetown	202329-21	\$ 11,088	
	Horry	202329-24	\$ 49,368	
	Kershaw	202329-26	\$ 12,408	
	Laurens	202329-28	\$ 27,918	
	Marion-Dillon	202329-30	\$ 21,846	
	Marlboro	202329-31	\$ 7,062	

DDSN FY23 Contractual Agreements				
Type of Contract	Provider Name	Contract #	Amount	Description
	Newberry	202329-46	\$ 7,788	
	Oconee	202329-33	\$ 12,804	
	Orangeburg	202329-34	\$ 39,600	
	Richland-Lexington	202329-36	\$ 124,796	
	SC Autism Society	202329-147	\$ 127,314	
	Sumter	202329-37	\$ 13,860	
	MaxAbilities of York	202329-40	\$ 21,000	
			<b>\$ 1,450,000</b>	<b>Total Family Support Respite</b>
<b>Special Contracts</b>	Babcock	2023-09	\$ 56,000	Facility Cost to Operate HASCI Transitional Program
	Babcock	2023-134	\$ 870,135	Medical Model Residential
	Brain Injury Association of South Carolina	2023-68	\$ 64,995	Family Support Network
	Charles Lea	2023-133	\$ 1,527,326	Medical Model Residential
	Charleston	2023-10	\$ 56,000	Facility Cost to Operate HASCI Transitional Program
	Family Connection of South Carolina	2023-26	\$ 65,000	Family Support Network
	Greenwood Genetic	2023-247	\$ 11,945,200	GGC Combined Services
	Horry	2023-124	\$ 56,000	Facility Cost to Operate HASCI Transitional Program
	Horry	2023-02	\$ 4,800	Special Family Support for the Jennings Family
	Palmetto Health University Group	2023-33	\$ 111,332	Physician Services (Dr. Welsh)
	Richland-Lexington	2023-170	\$ 12,000	Special Residential Supports for ID/RD Consumer-T. Richardson
	SC Respite Coalition	2023-83	\$ 257,000	Respite Training
	SC Spinal Cord Injury	2023-126	\$ 64,891	Family Support Network
	Special Olympics	2023-29	\$ 250,000	Unified Sports Program
	Thrive Upstate	2023-50	\$ 56,000	Facility Cost to Operate HASCI Transitional Program
	USC - CDR	2023-3042	\$ 316,700	Training Programs and Technical Assistance for Staff
	USC - Training Programs for Attendant Care	2023-3043	\$ 200,000	Training Programs for Attendant Care
			<b>\$ 15,913,379</b>	<b>Total Special</b>
<b>Post-Acute Rehabilitation Project</b>	Prisma Health - Upstate	5400020743	\$ 1,700,000	Providers are CARF accredited inpatient/outpatient TBI/SCI Rehabilitation
	Carolina Rehabilitation		\$ 165,000	Programs approved by SFAA State Procurement Office to participate in RFP
	Rehab Without Walls		\$ 501,000	Solicitation: 5400020743
	Roper Hospital		\$ 1,700,000	
			<b>\$ 4,066,000</b>	<b>Total PARI Program</b>
<b>Alternative Placement Residential Services</b>	Avalonia	5400020443	\$ 365,000	Medical Rehabilitative Behavioral Services
	Broadstep Kingstree		\$ 547,500	Providers are approved by SFAA State Procurement Office to participate in RFP
	Broadstep Excalibur		\$ 990,724	Solicitation: 5400020443
	Broadstep Georgetown		\$ 141,146	
	Coastal Autism Academy		\$ 564,582	
	Pine Grove		\$ 705,728	
	Wise Care		\$ 70,573	
	Wellpath		\$ 3,380,009	
	Department of Social Services	Cost Share	\$ 79,000	
	Department of Mental Health	Cost Share	\$ 242,500	
			<b>\$ 7,086,762</b>	<b>Total Alternative Placement Residential Services</b>
			<b>\$ 97,012,652</b>	<b>Grand Total of FY23 Contracts</b>

TO: DDSN Commission, Finance and Audit Committee

FROM: Michelle Fry, J.D., Ph.D., State Director

RE: Proposed New Initiatives

DATE: 8/9/2022

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**New Initiative I: Stabilization options for dually-diagnosed and/or behaviorally complex individuals**

South Carolina does not currently have sufficient options for supporting people through residential services or for stabilizing those individuals who are dually diagnosed with mental illness (MI) and/or have complex behavior needs so they can be appropriately supported with residential services. There are a number of challenges in finding appropriate supports and services for these individuals.

Staffing

The current rates for the “High Management” tiers of Residential Habilitation are the highest rates available for residential services. These rates are higher because they require increased staffing with increased training that specifically includes both: **1)** training in positive behavior supports for *all* staff who will work in the residence; and **2)** either a BCBA a BCBA *or* someone with a Master’s degree in behavior analysis, psychology, special education or a closely related field and have a minimum of two (2) years of experience in the use of the principles of applied behavior analysis in the habilitation of people with intellectual disabilities/related disabilities including experience in the development of Behavior Support Plans (this is reiterated below) to deliver a specific number hours of Intensive Behavioral Intervention (“IBI”) as part of residential habilitation.

Regarding 1: As the Commission has already been briefed, there has been a multi-year interruption in the provision of and access to the PBS training that historically was offered through a partnership between DDSN and the Center for Disability Resources (“CDR”) with USC School of Medicine. This service has been reestablished effective July 1, 2022 but due to the lapse in access of training, it will take time for training to be provided to *all* staff delivering these tiers of Residential Habilitation and also will take time before the impact of the training will be realized. While the requirement for PBS training will be highly beneficial, DDSN believes that additional behavioral science expertise through hiring of Registered Behavior Technicians (RBTs) will reflect best practice and provide needed support for the individuals who are target recipients of this initiative.

Regarding 2: The “high management” rates only require and thus compensate for 2.5 hours per month from the BCBA or otherwise qualified behavioral expert. For an individual with significantly severe and complex behavioral challenges, 2.5 hours per month from a behavior expert is not sufficient.

Moreover, the rate and underlying methodology does not contemplate the need for support from psychiatric nurses or a psychiatrist support (discussed below), nor does it contemplate the need for increased staffing necessary to support and stabilize those with dual diagnoses and complex behavior needs.

### Medication

Individuals who are dually diagnosed and are not stable from a psychiatric standpoint may be prescribed medication *pro re nata* (prn), referring to medication that is not scheduled and is given as needed, based on the symptoms or behaviors exhibited by the person. These PRN medications are routinely given in hospitals and in mental health facilities. DDSN settings (i.e., settings in which Residential Habilitation and Intermediate Care Facility (ICF) services are delivered) are both prohibited from the administration of prn medications. Furthermore, adjusting and regulating medications for behavior control and mental illness requires regular and ongoing care from a psychiatrist along with increased nursing expertise to monitor the effectiveness of those medications. Regular, ongoing psychiatric treatment is not what DDSN facilities typically provide.

In summary, absent robust and collaborative mental health services, individuals who are continuing to demonstrate complex behaviors require an increased and different staffing model than what is currently contemplated under the various Residential Habilitation tiers and what is typically provided in an ICF.

DDSN seeks approval to establish a Regional Center-Based Stabilization Unit and a Community-Based Crisis Stabilization unit. The Regional Center-Based Stabilization Unit will be established to address the immediate need and to begin to validate the requirements for any stabilization model. For the Community-Based Crisis Stabilization unit, DDSN will seek to collaborate with a community-based provider to establish the unit. Community-based models for stabilization have been established in other states as a Medicaid reimbursable service. Establishing both Regional Center and Community-based models provide DDSN with the information necessary to seek Medicaid reimbursement for future Community-based models once the model is validated.

DDSN has analyzed programs in other states, reviewed research, and consulted experts in designing the professional and direct support staffing that underly the estimated program cost. Agency staff will work with the Legislative Committee to propose this as a legislative initiative for the FY23 Legislative session. It will further be an Agency goal to support this initiative to eventually be fully community-based through the recruitment and qualification of appropriate providers. The current models are proposed based on urgency of current circumstances. DDSN will utilize the Interdisciplinary Technical Advisory Committee (ITAC) to inform access to this service.

DDSN is optimistic that individuals who are stabilized through these services will be able to exercise choice among existing Residential Habilitation providers for their continued services.

### **New Initiative 2: Youth Residential Autism Homes Capital Grant**

DDSN has previously not provided residential habilitation for youth, with the rare exception of 2 CTH IIs operated by Coastal Autism/Pine Grove (same ownership), who also operate the DSS-licensed Group Care Intensive Homes.

Based on review of the continuum of services available in other states as well as need in South Carolina, DDSN has received monies from the Legislature to establish 3-4 Youth Intensive Residential Habilitation Homes. DDSN is currently working to finalize the Provider Qualifications and recruit DSN Boards as well as Private Providers to deliver this service. DSN Boards have access to Housing Trust Fund dollars, which are capped at three hundred-thousand dollars (\$300,000.00). DDSN proposes a comparable grant program, funded from remaining 6.2% FMAP monies, that would allow Qualified Private Providers to

access the same monies. The request is set at \$1.2m which assumes that all four (4) providers would be private, but is it possible that fewer would be private providers and the monies would not be expended.

**New Initiative 3: Provider Grants for shared/cooperative services for training and/or staffing**

As the landscape for service provision evolves and the labor market changes, DDSN Providers are presented with the opportunity and challenge of rethinking approaches to staffing and training. DDSN staff seek approval for two (2) competitive grant programs designed to facilitate cooperative approaches to meet these needs. Research has shown that such cooperative models are often used in other sectors and states to effectively meet training and staffing needs.

Specifically, the goal of the shared staffing grant program will be to encourage the development of sharing of full-time staff hired either by the cooperative entity for common administrative functions which require professional staff but for which one provider, alone, may not have full-time work. Those administrative functions may include but not limited to accounting and human resources. Such a cooperative model would financially benefit all participating cooperative providers.

The aim of the shared training grant is to encourage and support staff training needs that are shared by Providers but are also not appropriate for DDSN to provide. When contracting with DDSN and/or enrolling with Medicaid, each provider asserts its ability to deliver the services in accordance with the applicable policies and standards for which it contracts/ enrolls. While DDSN has a role in training, DDSN cannot assume the responsibility for training newly hired staff that are required for service delivery. For some providers, especially small providers, the ability to train newly hired staff in key positions (e.g., Residential Services Director, QIDP, Day Services Director, etc.) is limited. Cooperative models are often used in other sectors and states to ensure the knowledge specific to the function or role is transferred from professional to professional. Cooperative training models can offer providers within the cooperative the opportunity to share knowledge, promising practices, and offer the opportunity to problem solve with other professionals.

DDSN is optimistic that these grant opportunities will encourage and support innovative and financially viable approaches to Providers' needs in these areas.

**New Initiative 4: Expanded Sole Source Initiative with IntellectAbility:**

IntellectAbility created the first and one of the most comprehensive suites of risk resolution and learning tools for professional supporters of individuals with disabilities. The Health Risk Screening Tool, COVID-19 Tracker, IntellectAbility Learning Management System Access, IntellectAbility Academy Courses, electronic Person-Centered Description, and Virtual Person-Centered Thinking Training are currently being used by the DDSN and its provider network. DDSN seeks to extend/expand the use of these tools, training, and platforms to maintain the current system and advance their benefit to DDSN, its network of providers, and the individuals served.

The expanded efforts include:

- Implementing a One Page Description to accompany the electronic Person-Centered Description which has been custom developed for DDSN,
- Expanding the use of IntellectAbility Academy Courses including courses custom developed for DDSN through IntellectAbility Productions,



- Broadening access to the IntellectAbility Learning Management System Access to support the delivery of the unique, custom eLearn courses designed specifically for SC DDSN, and
- Implementing Person-Centered Coach Training to develop expertise within DDSN on the foundational skillset set forth in Virtual Person-Centered Thinking Training, develop the expertise to provide guidance to those completing the electronic Person-Centered Descriptions and One Page Descriptions, and develop the knowledge required to complete quality assurance reviews on electronic Person-Centered Descriptions and One Page Descriptions completed by case managers.

### FY 23 Spending Plan VS Actual Expenditures - 07/31/2022

Category	Proposed 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	\$ 938,535,153	\$ 21,906,923	\$ 46,986,853	\$ 68,893,776	\$ 869,641,377	REASONABLE
Percent of total spending plan remaining	100.00%	2.33%	5.01%	7.34%	92.66%	
% of FY Remaining					91.67%	
Difference % - over (under) budgeted expenditures					-0.99%	

\* In July 2022, providers billed & paid by SCDHHS an estimate of \$47.0 million in services (waiver services + state plan services).

Methodology & Report Owner: DDSN Budget Division

## Consideration of Surplus Property

### **Disposition of Lots 2 and 3 – Diane Road, York, SC**

**Staff needs Commission approval to surplus Lots 2 and 3 Diane Road, York, SC. Commission has previously approved the surplus of these lots in 2019. However, due to the time lapse in the previous approval an updated approval is being sought. The relevant facts are:**

- The lots were bequeathed to the SC Department of Mental Retardation in 1985, per the deed recorded in York County courthouse. These two un-improved residential lots are recorded in a single plat totaling 1.6 acres.
- DDSN was unaware of owning these lots until February 2019 after researching question raised by a York realtor. The two lots do in fact belong to DDSN and not Mental Health or any other agency.
- DDSN has no plans for these Diane Road Lots.
- An appraisal in April 2019, gave an opinion of the market value of \$20,000.
- Once the lots are fully approved as surpluses property by all involved parties, DDSN will move forward via the Division of Real Property Services, State Fiscal Accountability Authority's (SFAA), to list the property with the state contracted realtor (CBRE) for marketing and selling the property. The property has to be sold on the open market at or above the appraised value.
- Proceeds from such sale will be split between DDSN and the State after reimbursing DDSN for its outlay for the appraisal.
- Upon approval by the Commission DDSN will work with staff at the Division of Real Property Service (SFAA) to complete the sale.

#### **UPDATE 7/6/2022:**

- A new appraisal was received on 6/21/2022 that showed the property has a market value of \$35,000.

#### **UPDATE 8/10/2022:**

- Per communications with CBRE: \$35,000 could be a high list price given the rural location, low resident density, and approximately 20% of the property would be considered in a flood zone.