

## 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

July 6, 2021

3:00 p.m.

In attendance: Robin Blackwood, Chair; Barry Malphrus; Ed Miller; Stephanie Rawlinson; Gary Lemel; Gary Kocher, MD; Pat Maley; Candis Golston; Debra Leopard; Debbie Wilson; Michael Mickey; Ken Parks; and Christie Linguard

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

[The meeting was called to order at 3:05 pm.](#)

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 \(if any\):](#) None

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

4. Review Minutes of the June 1, 2021 Meeting

[Brief Summary:](#) The June 1, 2021 minutes were presented to the committee for approval.

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

[Committee Vote\(s\) \(if any\):](#) Commissioner Miller made a motion to adopt the summary as presented, seconded by Commissioner Kocher and unanimously approved by the committee.

5. Contracts over \$200,000 *Pat Maley*

[Brief Summary:](#) Mr. Maley presented three (3) solicitations for new non-service contracts \$200,000 or greater for approval. The first is for Direct Support Professionals' five year contract with a contract ceiling value of \$250,000. We currently have five (5) providers who are qualified

and awarded a contract; however, the agency will have the option to choose which contract we want to use. Most of these contracts are the temporary agencies for medical professionals. The second solicitation, is a fixed priced bid contract for license nursing personnel. An eleventh person is being asked to be added to the contract. The third solicitation has a two-year indefinite delivery contract to procure electrical engineering services with a contract limit of \$200,000.

The Comprehensive Permanent Improvement Plan to replace twenty-six variable air volume (VAV) terminals, which the commission approved at the May 20<sup>th</sup> meeting this year. Bids were advertised on June 8, 2021 through the South Carolina Business Opportunities (SCBO); and one bid was received by Gregory Electric Company, Columbia, SC for a base bid of \$224,460.00. Mr. Tharin is expected to present at the July commission meeting.

Committee Member(s) Guidance (if any):

Committee Vote(s) (if any): Commissioner Malphrus made a motion to approve these contracts as routine in nature and present at the full commission meeting next week for informational purposes only. Commissioner Lemel seconded the motion and the committee unanimously approved the three (3) new non-service contracts \$200,000 or greater.

Commissioner Lemel moved to approve the CPIP bid as presented, seconded by Commissioner Miller and unanimously approved by the committee.

6. Cost Reports Update

*Pat Maley*

Brief Summary: Mr. Maley noted that FY2019 cost report is complete and he will soon submit to SCDHHS. FYs 2013 and 2014 are complete as well. Mr. Maley will review in preparation to send to SCDHHS either this week or early next week. FY2015 cost report is all but done and should be ready by the end of July. Going forward, once the agency's cost reports are caught up, the completed report will be submitted by the February of the previous year.

Committee Member(s) Guidance (if any): Commissioner Malphrus asked about the agency's liabilities in these cost reports. Mr. Maley does not think the liability will be significant and that the agency may have liabilities in one cost report year that may offset another year; but he update commissioners who have additional questions after the meeting.

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

7. Fee-for-Service Update

*Pat Maley*

Brief Summary: Mr. Maley spoke briefly about where the agency is as far as removing all bands and transfer to a fee-for-service module. The challenge is to get the 14 bands into eight individual settings into the ID/RD Renewal. We have to now average the amount of time and staffing levels for individuals in a residential setting. Mr. Maley has set up two (2) focus group meetings with providers to meet the July 9<sup>th</sup> deadline.

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

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

8. Request SCDHHS Rate Increases to Implement FY22 Legislative Appropriations

*Pat Maley*

Brief Summary: Mr. Maley informed the sub-committee that in FY22 legislative appropriations, the agency received a \$10 million residential rate increase, which averages out to a 3.4% increase. The agency has to engage SCDHHS to request a rate increase. Mr. Maley will also ask SCDHHS for a retroactive rate increase payback to July 1, 2021. We are not sure how SCDHHS will handle this but Mr. Maley wanted to inform this sub-committee and will keep everyone abreast on the mechanics of this appropriations' increase.

Mr. Maley discussed the 2.5% increase for our provider network for Full-time equivalents for residential day, case management, early intervention; we have to figure out how to implement. It will start with the pay date on July 1<sup>st</sup>. Mr. Maley is hoping to have an estimate of the increase by the commission meeting next week but certainly by the next sub-committee meeting.

Committee Member(s) Guidance (if any):

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

9. Family Arranged Caregiver Hourly Rate

*Pat Maley*

Brief Summary: The agency has received \$7.2 million in respite. Right now, we have one rate paying \$12.69/hr.; however, this is so low, we cannot get businesses to employ at this rate. With the additional funding for respite, the agency has requested two rates in the ID/RD Renewal, one for businesses and one self-directed rate. The rate range for businesses will be \$15.80/hr. or closer to the \$16.00/hr. Mr. Maley went on to discuss possibilities for changing the self-directed rates as well, so that people will have choices. Mr. Maley will continue with the data collection and meet with SCDHHS (the rate setters) and then come back to the sub-committee or commission for a vote on rates.

Committee Member(s) Guidance (if any): Commissioner Blackwood asked for the three different respite modules (self-directed; business; and approximately 10 boards supervise/manage respite care services) and the number of consumers in each. Commissioner Blackwood would also like to look at a breakdown of the rural vs. metropolitan areas and what these consumers are choosing. Chairman Rawlinson chimed in to state that finding respite in rural areas is very challenging.

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

10. Chief Financial Officer Report

*Pat Maley*

Mr. Maley gave a few quick updates. He and his team are working on cost reports and costs for Paycheck Protection Program (PPP) Forgiveness Loans. Discussion will be held with providers. The agency wants to make sure there is no huge diversions in reporting costs. Community ICFs were discussed briefly. (The commission approved a one-year bed fees moratorium). Mr. Maley will have to meet with providers to discuss a fair rate going forward. The two big receivables will come from SCDHHS with the Administrative and Greenwood Genetics contracts.

**11. Next Meeting Date**

Commissioner Malphrus requested that this sub-committee go over the committee procedures at their next scheduled meeting.

The next committee meeting will take place on Tuesday, August 3, 2021 at 3:00 PM.

**12. Adjournment**

At 4:13 PM on a motion by Commissioner Miller and seconded by Commissioner Malphrus to adjourn the meeting.