**South Carolina General Assembly**

125th Session, 2023-2024

**H. 4927**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Herbkersman, W. Newton, G.M. Smith, Schuessler, B. Newton, Williams, Jefferson and Hewitt

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Introduced in the House on January 24, 2024

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Last Amended on February 28, 2024

Currently residing in the Senate Committee on **Medical Affairs**

Summary: Executive Office of Health Policy

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

1/24/2024 House Introduced and read first time ([House Journal‑page 16](h:\hj\20240124.docx))

1/24/2024 House Referred to Committee on **Judiciary** ([House Journal‑page 16](h:\hj\20240124.docx))

2/14/2024 House Committee report: Favorable with amendment **Judiciary** ([House Journal‑page 2](h:\hj\20240214.docx))

2/14/2024 House Member(s) request name added as sponsor: Schuessler

2/15/2024 Scrivener's error corrected

2/20/2024 Scrivener's error corrected

2/27/2024 House Member(s) request name added as sponsor: B.
Newton, Williams

2/27/2024 House Requests for debate-Rep(s). W. Newton, B. Newton, Carter, Hewitt, Magnuson, B.L. Cox, Pace, Guest, J.E. Johnson, Harris, S. Jones, White, Yow, A.M. Morgan ([House Journal‑page 38](h:\hj\20240227.docx))

2/28/2024 House Member(s) request name added as sponsor:
Jefferson, Hewitt

2/28/2024 House Amended ([House Journal‑page 31](h:\hj\20240228.docx))

2/28/2024 House Read second time ([House Journal‑page 31](h:\hj\20240228.docx))

2/28/2024 House Roll call Yeas-100 Nays-17 ([House Journal‑page 117](h:\hj\20240228.docx))

2/29/2024 House Read third time and sent to Senate ([House Journal‑page 39](h:\hj\20240229.docx))

2/29/2024 House Roll call Yeas-91 Nays-18 ([House Journal‑page 40](h:\hj\20240229.docx))

3/4/2024 Scrivener's error corrected

3/5/2024 Senate Introduced and read first time ([Senate Journal‑page 8](h:\sj\20240305.docx))

3/5/2024 Senate Referred to Committee on **Medical Affairs** ([Senate Journal‑page 8](h:\sj\20240305.docx))

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**VERSIONS OF THIS BILL**

[01/24/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/4927_20240124.docx)

[02/14/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/4927_20240214.docx)

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[02/28/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/4927_20240228.docx)

[03/04/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/4927_20240304.docx)

Indicates Matter Stricken

Indicates New Matter

Amended

02/28/24

H. 4927

Introduced by Reps. Herbkersman, W. Newton, G. M. Smith and Schuessler

S. Printed 02/28/24--H. [SEC 3/4/2024 4:41 PM]

Read the first time January 24, 2024

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A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS by adding Chapter 12 to Title 44 SO AS TO CREATE THE “EXECUTIVE OFFICE OF HEALTH AND POLICY”, TO PROVIDE FOR THE DUTIES OF THE SECRETARY OF THE OFFICE, AND TO PROVIDE FOR THE RESTRUCTURING OF CERTAIN DEPARTMENTS OF STATE GOVERNMENT TO BECOME COMPONENT DEPARTMENTS OF THE OFFICE; BY AMENDING SECTION 1‑30‑10, RELATING TO DEPARTMENTS OF STATE GOVERNMENT, SO AS TO MAKE CONFORMING CHANGES; BY AMENDING SECTION 8‑17‑370, RELATING TO THE MEDIATION OF GRIEVANCES BY THE STATE HUMAN RESOURCES DIRECTOR, SO AS TO ADD THE SECRETARY OF HEALTH AND POLICY, THE OFFICE’S COMPONENT DEPARTMENT DIRECTORS, AND OTHERS TO THE LIST OF EXEMPTED PUBLIC EMPLOYEES; BY AMENDING SECTION 43‑21‑70, RELATING TO THE EMPLOYMENT OF THE DIRECTOR OF THE DEPARTMENT ON AGING, SO AS TO MAKE CONFORMING CHANGES, and for other purposes; and BY REPEALING CHAPTER 9 of TITLE 44 RELATING TO THE STATE DEPARTMENT OF MENTAL HEALTh.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Title 44 of the S.C. Code is amended by adding:

CHAPTER 12

Executive Office of Health and Policy

Section 44‑12‑10. There is created within the executive branch of the state government an agency to be known as the Executive Office of Health and Policy with the organization, duties, functions, and powers defined in this chapter and other applicable provisions of law.

Section 44‑12‑20. The Secretary of Health and Policy shall be the head and governing authority of the office. The secretary must be appointed by the Governor with the advice and consent of the Senate, subject to removal from office by the Governor pursuant to the provisions of Section 1‑3‑240(B).

Section 44‑12‑30. As used in this chapter:

(1) “Secretary” means the Secretary of Health and Policy.

(2) “Office” means the Executive Office of Health and Policy.

(3) “Department” or “departments” means any one or more of the component departments housed within the office.

(4) “State Health Plan” means the cohesive, coordinated, and comprehensive state plan for public health services developed by the secretary.

Section 44‑12‑40. In performing his duties as authorized by this chapter, the secretary:

(1) shall develop a cohesive, coordinated, and comprehensive State Health Plan for public health services provided by the component departments housed within the office so that there is a maximum level of coordination among the component departments. The plan should serve as a blueprint for the State to assess and improve the quality of care that South Carolinians receive. The plan should be continually updated and must include, at a minimum, an inventory, projections, and standards for health services, facilities, equipment, and workforce which have the potential to substantially impact delivery of care, costs, and accessibility within the State. The plan should also address how to improve health services delivery in the State, recognize operational efficiencies, and maximize resource utilization. The secretary shall establish and appoint members to a health planning advisory committee to provide advice in the development of the plan. Members of the advisory committee should include health care providers, consumers, payers, and public health professionals. Members of the advisory committee are allowed the usual mileage and subsistence as provided for members of boards, committees, and commissions;

(2) shall review and approve or disapprove all regulations promulgated by the component departments prior to their submission to the General Assembly;

(3) shall be the sole advisor of the State concerning all questions involving the protection of public health within its limits;

(4) shall have the authority to determine the appropriate course of treatment for patients with complex or co‑occurring diagnoses necessitating involvement of two or more component departments;

(5) shall, subject to applicable federal law, require data sharing to the fullest extent possible among the component departments when necessary to accomplish the goals of the plan;

(6) shall, to the extent practicable, consolidate administrative services among the component departments. Consolidated administrative services include, but are not limited to:

(a) financial and accounting support, such as accounts payable and receivable processing, procurement processing, journal entry processing, and financial reporting assistance;

(b) human resources administrative support, such as transaction processing and reporting, payroll processing, and human resources training;

(c) budget support, such as budget transaction processing and budget reporting assistance; and

(d) information technology;

(7) shall, with regard to information technology, ensure that the office and the component departments comply with all plans, policies, and directives of the Department of Administration;

(8) may employ such persons as he determines are necessary to carry out the office’s duties; and

(9) may enter into contracts with public agencies, institutions of higher education, and private organizations or individuals for the purpose of carrying out the office’s duties.

Section 44‑12‑50. (A) The Executive Office of Health and Policy shall consist of the following component departments:

(1) the Department of Health Financing;

(2) the Department of Public Health;

(3) the Department on Aging;

(4) the Department of Intellectual and Related Disabilities; and

(5) the Department of Behavioral Health and Substance Abuse Services.

(B)(1) The component departments shall be headed by a department director appointed by the secretary. Department directors shall serve at the will and pleasure of the secretary. In the case of a vacancy in a department director’s position prior to the appointment of a successor, the secretary may assign an employee of the department or the office to perform the duties required of the vacant position on an interim basis.

(2) The secretary shall develop the budget for the office with each component department constituting a separate program area. The secretary shall consult with each component department director in developing the priorities and funding request for his component department.

(3) The secretary may, to the extent authorized through the annual appropriations act or relevant permanent law, organize the administration of the office, including the assignment of personnel to the office and among its component departments, as is necessary to carry out the office’s duties.

Section 44‑12‑60. The component departments shall carry out their duties, functions, and powers as provided in their respective enabling statutes and as otherwise provided by laws subject to the management decisions, policy development, and standards established of and by the secretary as provided in this chapter.

SECTION 2. Section 1‑30‑10(A) of the S.C. Code is amended to read:

(A) There are hereby created, within the executive branch of the state government, the following departments:

1. Department of Administration

2. Department of Agriculture

3. Department of Alcohol and Other Drug Abuse Services

4.3. Department of Commerce

5.4. Department of Corrections

6. Department of Disabilities and Special Needs

7.5. Department of Education

8. Department of Public Health

9. Department of Health and Human Services

10.6. Department of Insurance

11.7. Department of Juvenile Justice

12.8. Department of Labor, Licensing and Regulation

13. Department of Mental Health

14.9. Department of Motor Vehicles

15.10. Department of Natural Resources

16.11. Department of Parks, Recreation and Tourism

17.12. Department of Probation, Parole and Pardon Services

18.13. Department of Public Safety

19.14. Department of Revenue

20.15. Department of Social Services

21.16. Department of Transportation

22.17. Department of Employment and Workforce

23. Department on Aging

24.18. Department of Veterans’ Affairs.

25.19. Department of Environmental Services

20. Executive Office of Health and Policy

SECTION 3. Section 8‑17‑370 of the S.C. Code is amended by adding:

(21) The Secretary of Health and Policy, the directors of the component departments of the Executive Office of Health and Policy, all direct reports to the Secretary and to directors of the component departments, and all direct reports to division directors within the Department of Behavioral Health and Substance Abuse Services.

SECTION 4. The Code Commissioner is directed to change the following headings in the S.C. Code:

(1) Chapter 6, Title 44 shall be entitled “Department of Health Financing”;

(2) Chapter 1, Title 44 shall be entitled “Department of Public Health”;

(3) Chapter 20, Title 44 shall be entitled “Department of Intellectual and Related Disabilities”; and

(4) Chapter 9, Title 44 shall be entitled “Department of Behavioral Health and Substance Abuse Services”.

SECTION 5. Chapter 49, Title 44 of the S.C. Code is repealed.

SECTION 6. (A) Upon the effective date of this act, the Directors of the Departments of Public Health and Aging shall serve as the interim department directors of their respective departments within the Executive Office of Health and Policy, unless otherwise removed by the Secretary of Health and Policy, until such time as a successor is appointed by the secretary and assumes the position. The Director of the Department of Health and Human Services shall serve as the interim Director of the Department of Health Financing, unless otherwise removed by the Secretary of Health and Policy, until such time as a successor is appointed by the secretary and assumes the position. The Director of the Department of Disabilities and Special Needs shall serve as the interim Director of the Department of Intellectual and Related Disabilities, unless otherwise removed by the Secretary of Health and Policy, until such time as a successor is appointed by the secretary and assumes the position. In the case of a vacancy in the director’s position in one or more of the departments on or after the effective date of this act and prior to the appointment of a successor, the Secretary of Health and Policy may assign an employee of the department or the Executive Office of Health and Policy to perform the duties required of the vacant position in the interim.

(B) Upon the effective date of this act, the Director of the Department of Mental Health shall serve as the interim Director of the Department of Behavioral Health and Substance Abuse Services, unless otherwise removed by the Secretary of Health and Policy, until such time as a successor is appointed by the secretary and assumes the position. In the case of a vacancy in the director’s position at the Department of Behavioral Health and Substance Abuse Services on or after the effective date of this act and prior to the appointment of a successor, the Secretary of Health and Policy may assign an employee of the department or the Executive Office of Health and Policy to perform the duties required of the vacant position in the interim.

(C) Upon the effective date of this act, the Director of the Department of Alcohol and Other Drug Abuse Services shall serve as the interim Director of the Division on Alcohol and Drug Addiction of the Department of Behavioral Health and Substance Abuse Services until such time as a replacement is appointed by the Director of the Department of Behavioral Health and Substance Abuse Services. Prior to the appointment of the Director of the Department of Behavioral Health and Substance Abuse Services, the Secretary of Health and Policy has the discretion to remove the division director. In the case of a vacancy in the director’s position at the Department of Alcohol and Other Drug Abuse Services or the Division on Alcohol and Drug Addiction on or after the effective date of this act and prior to the appointment of a successor by the Director of the Department of Behavioral Health and Substance Abuse Services, the Secretary of Health and Policy may assign an employee of the department or the Executive Office of Health and Policy to perform the duties required of the vacant position in the interim.

(D) Nothing in this act prevents the Secretary of Health and Policy from reappointing the directors of their respective departments serving in those roles as of the effective date of this act.

(E) The Governor’s initial appointee as Secretary of Health and Policy shall serve in an interim capacity with the powers and duties assigned to the Secretary through this act until such time as the Senate provides advise and consent regarding the appointment. Should the Senate not advise and consent to the initial appointee prior to sine die adjournment of the 2025 regular session, the office shall be vacant, and the interim appointee shall not serve in hold over status.

SECTION 7. (A) Except for personnel and funds transferred pursuant to subsection (B) of this Section, the Departments of Health Financing, Public Health, Aging, and Intellectual and Related Disabilities shall operate as component departments of the Executive Office of Health and Policy in the 2024‑2025 Fiscal Year using the authority and funds appropriated to the Departments of Health and Human Services, Public Health, Aging, and Disabilities and Special Needs as standalone agencies in the appropriations act of 2024. Except for personnel and funds transferred pursuant to subsection (B) of this Section, the Department of Behavioral Health and Substance Abuse Services shall operate as a component department of the Executive Office of Health and Policy in the 2024‑2025 Fiscal Year using the authority and funds appropriated to the Departments of Mental Health and Alcohol and Other Drug Abuse Services as standalone agencies in the appropriations act of 2024.

(B) Upon appointment and confirmation, the Secretary of Health and Policy may cause the transfer to the Executive Office of Health and Policy such: (1) personnel and attendant funding included in the administrative areas of the 2024 appropriations act and (2) operating expenses included in the administrative areas of the 2024 appropriations act of one or more of the component departments of the Office as, in the determination of the Secretary, is necessary to carry out the duties of the Office. The Department of Administration shall cause all necessary actions to be taken to accomplish any such transfer and shall in consultation with the Secretary prescribe the manner in which the transfer provided for in this section shall be accomplished. The Department of Administration’s actions in facilitating the provisions of this section are ministerial in nature and shall not be construed as an approval process over any of the transfers.

(C) Except for those positions transferred pursuant to this section or otherwise specifically referenced in this act, employees of the Departments of Health and Human Services, Public Health, Aging, Disabilities and Special Needs, Mental Health, or Alcohol and Other Drug Abuse Services shall maintain their same status with the appropriate component department of the Executive Office of Health and Policy. Employees of the Departments of Public Health and Aging shall become employees of their respective departments within the Executive Office of Health and Policy. Employees of the Department of Health and Human Services shall become employees of the Department of Health Financing within the Executive Office of Health and Policy. Employees of the Departments of Mental Health and Alcohol and Other Drug Abuse Services shall become employees of the Department of Behavioral Health and Substance Abuse Services within the Executive Office of Health and Policy. Employees of the Department of Disabilities and Special Needs shall become employees of the Department of Intellectual and Related Disabilities.

(D) Nothing in this act affects bonded indebtedness, if applicable, real and personal property, assets, liabilities, contracts, regulations, or policies of the Departments of Health and Human Services, Public Health, Aging, Disabilities and Special Needs, Mental Health, or Alcohol and Other Drug Abuse Services existing on the effective date. All applicable bonded indebtedness, real and personal property, assets, liabilities, contracts, regulations, or policies shall continue in effect in the name of the Executive Office of Health and Policy or the appropriate component division.

SECTION 8.A. Section 44-1-20 of the S.C. Code is amended to read:

Section 44-1-20. There is created the South Carolina Department of Public Health to be headed by a director who is appointed by the Secretary of Health and Policy pursuant to Section 44-12-50(B)(1).

B. Sections 44-1-80 through 44-1-140 of the S.C. Code are amended to read:

Section 44-1-80. (A) The Board of Health and Environmental Control Department of Public Health or its designated agents must investigate the reported causes of communicable or epidemic disease and must enforce or prescribe these preventive measures as may be needed to suppress or prevent the spread of these diseases by proper quarantine or other measures of prevention, as may be necessary to protect the citizens of the State. The Board of Health and Environmental Control Department of Public Health or its designated agents shall declare, when the facts justify it, any place as infected and, in case of hydrophobia or other diseases transmitted from animals to man, must declare such animal or animals quarantined, and must place all such restrictions upon ingress and egress of persons or animals therefrom as may be, in its judgment, necessary to prevent the spread of disease from the infected locality.

(B)(1) Whenever the board department learns of a case of a reportable illness or health condition, an unusual cluster, or a suspicious event that it reasonably believes has the potential to cause a public health emergency, as defined in Section 44-4-130, it is authorized to notify the appropriate public safety authority, tribal authorities, and federal health and public safety authorities.

(2) The sharing of information on reportable illnesses, health conditions, unusual clusters, or suspicious events between authorized personnel must be restricted to information necessary for the treatment, control, investigation, and prevention of a public health emergency. Restriction of access to this information to those authorized personnel for the protection of public health ensures compliance with all state and federal health information privacy laws.

(3) The board department and its agents must have full access to medical records and nonmedical records when necessary to investigate the causes, character, and means of preventing the spread of a qualifying health event or public health emergency. For purposes of this item, “nonmedical records” mean records of entities, including businesses, health facilities, and pharmacies, which are needed to adequately identify and locate persons believed to have been potentially exposed or known to have been infected with a contagious disease.

(4) An order of the board department given to effectuate the purposes of this subsection is enforceable immediately by the public safety authority.

(5) For purposes of this subsection, the terms qualifying health event, public health emergency, and public safety authority have the same meanings as provided in Section 44-4-130.

Section 44-1-90. The State Board of Health and Environmental Control Department of Public Health or its designated agents, when it is deemed necessary by the municipal officers of any town or city or the governing body of any county, may (a) visit cities, towns, villages or localities where disease is prevalent or threatened, (b) investigate and advise with the local authorities or persons as to such measures as may tend to prevent the spread of disease or to remove or abate causes that may tend to cause or intensify disease, (c) advise, when practicable or possible, as to measures of sanitation or hygiene and (d) investigate and advise as to all matters respecting water supply, sewage, drainage, ventilation, heating, lighting or other measures connected with public sanitation or safety.

Section 44-1-100. All sheriffs and constables in the several counties of this State and police officers and health officers of cities and towns must aid and assist the Director of the Department of Public Health and Environmental Control and must carry out and obey his orders, or those of the Department of Public Health and Environmental Control, to enforce and carry out any and all restrictive measures and quarantine regulations that may be prescribed. During a state of public health emergency, as defined in Section 44-4-130, the director may request assistance in enforcing orders issued pursuant to this chapter and pursuant to Chapter 4, Title 44, from the public safety authority, as defined in Section 44-4-130, other state law enforcement authorities, and local law enforcement. The public safety authority may request assistance from the South Carolina National Guard in enforcing orders made pursuant to this chapter or pursuant to Chapter 4, Title 44, which may be deployed or activated only upon order of the Governor.

Section 44-1-110. The Department of Health and Environmental Control is invested with all the rights and charged with all the duties pertaining to organizations of like character and is the sole advisor of the State in all questions involving the protection of the public health within its limits. The Department of Public Health shall advise the Secretary of Health and Policy on all questions involving the protection of public health within its limits.

It The Department of Public Health shall, through its representatives, investigate the causes, character, and means of preventing the epidemic and endemic diseases as the State is liable to suffer from and the influence of climate, location, and occupations, habits, drainage, scavengering, water supply, heating, and ventilation. It shall have, upon request, full access to the medical records, tumor registries, and other special disease record systems maintained by physicians, hospitals, and other health facilities as necessary to carry out its investigation of these diseases. No physician, hospital, or health facility, or person in charge of these records is liable in any action-at-law for permitting the examination or review. Patient-identifying information elicited from these records and registries must be kept confidential by the department and it is exempt from the provisions of Chapter 4 of Title 30. It shall supervise and control the quarantine system of the State. It may establish quarantine both by land and sea.

Section 44-1-130. The Department of Public Health and Environmental Control may divide the State into health districts and establish in these districts advisory boards of health which shall consist of representatives from each county in the district. Boards of health now existing in the districts shall have representation on the district advisory board. Counties not having local boards of health shall be represented by individuals appointed by the county legislative delegation. The number of members of a district advisory board shall be determined by the department with due consideration to the population and community needs of the district. District advisory boards of health shall be subject to the supervisory and advisory control of the department. District advisory boards are charged with the duty of advising the district medical director or administrator in all matters of sanitary interest and scientific importance bearing upon the protection of the public health.

The district medical director or administrator shall be secretary of the advisory board and the district advisory board shall elect annually from its membership a chairman.

Section 44-1-140. (A) The Department of Public Health may make, adopt, promulgate, and enforce reasonable rules and regulations from time to time requiring and providing for:

(1) the thorough sanitation and disinfection of all passenger cars, sleeping cars, steamboats, and other vehicles of transportation in this State and all convict camps, penitentiaries, jails, hotels, schools, and other places used by or open to the public;

(2) the sanitation of hotels, restaurants, cafes, drugstores, hot dog and hamburger stands, and all other places or establishments providing eating or drinking facilities and all other places known as private nursing homes or places of similar nature, operated for gain or profit;

(3) the safety and sanitation in the harvesting, storing, processing, handling and transportation of mollusks, fin fish, and crustaceans;

(4) the safety, safe operation and sanitation of public swimming pools and other public bathing places, construction, tourist and trailer camps, and fairs;

(5)(2) the care, segregation, and isolation of persons having or suspected of having any communicable, contagious, or infectious disease; and

(6)(3) the thorough investigation and study of the causes of all diseases, epidemic and otherwise, in this State, the means for the prevention of contagious disease and the publication and distribution of such information as may contribute to the preservation of the public health and the prevention of disease.

(B) The department may make separate orders and rules to meet any emergency not provided for by general rules and regulations, for the purpose of suppressing nuisances dangerous to the public health and communicable, contagious, and infectious diseases and other danger to the public life and health.

(C) Prior to the submission of rules or regulations pursuant to this section, the department must receive approval from the Secretary of Health and Policy.

C. Sections 44-1-151 through 44-1-152 of the S.C. Code are amended to read:

Section 44-1-151. Notwithstanding any other provision of law, all shellfish involved in any violation of law, including any regulation, regarding shellfish may be confiscated and disposed of at the discretion of the arresting officer. Any person convicted of a second offense of harvesting shellfish in any polluted area shall, upon such conviction, be fined not less than two hundred dollars and not more than five hundred dollars or imprisoned for not less than thirty days and not more than sixty days. Any person convicted of a third or subsequent offense of harvesting shellfish in any polluted area shall, upon such conviction, be fined not less than five hundred dollars and not more than one thousand or imprisoned for not less than sixty days and not more than ninety days. All equipment, including, but not limited to, vehicles, boats, motors, trailers, harvesting equipment, weapons, spotlights, bags, boxes, or tools, used or in any other manner involved in a first offense of harvesting shellfish in any polluted area may be impounded at the discretion of the arresting officer. The equipment impounded shall be delivered to the sheriff of the county in which the arrest was made and shall be retained by the sheriff. Such equipment may not be returned to the owner until the case has been finally disposed of. All equipment, including, but not limited to, vehicles, boats, motors, trailers, harvesting equipment, weapons, spotlights, bags, boxes, or tools, used or in any other manner involved in a second, third, or subsequent offense of harvesting shellfish in any polluted area shall be confiscated. All such confiscated equipment shall be sold at auction by the sheriff of the county in which such second, third, or subsequent offense took place and by a representative of the State Department of Health and Environmental Control Services, except for weapons, which, following confiscation, shall be disposed of in the manner set forth in Sections 16-23-50, 16-23-460, and 16-23-500.

Section 44-1-152. Notwithstanding any other provision of law, all revenue from any fine or any forfeiture of bond for any violation of any shellfish law or regulation provided by this title must be deposited monthly with the treasurer of the county in which the arrest for such violation was made. One-third of such revenue must be retained by the county treasurer to be used for the general operating needs of the county pursuant to the direction of the governing body of the county. Two-thirds of such revenue must be remitted quarterly to the state Department of Health and Environmental Control Services of which one-half is to be used in enforcing shellfish laws and regulations and one-half of such revenue must be remitted quarterly to the state's general fund. All monies derived from auction sales of confiscated equipment pursuant to Section 44-1-151 must be deposited, retained, remitted, and used in the same manner as provided in this section for all revenue derived from any fine or any violation of any shellfish law or regulation. A report of fines for forfeitures of bonds regarding shellfish violations must be sent to the state Department of Health and Environmental Control Services monthly by each magistrate and clerk of court in this State. A report of monies derived from auction of sales of confiscated equipment must be sent to the state Department of Health and Environmental Control Services monthly by each sheriff.

D. Sections 44-1-165 through 44-1-300 of the S.C. Code are amended to read:

Section 44-1-165. (A) There is established within the Department of Health and Environmental Control Services the Expedited Review Program to provide an expedited process for permit application review. Participation in this program is voluntary and the program must be supported by expedited review fees promulgated in regulation pursuant to subsection (B)(1). The department shall determine the project applications to review, and the process may be applied to any one or all of the permit programs administered by the department.

(B)(1) Before January 1, 2009, the department shall promulgate regulations necessary to carry out the provisions of this section. The regulations shall include, but are not limited to, definitions of “completeness” for applications submitted, consideration of joint federal- state permitting activities, standards for applications submitted that advance environmental protection, and expedited process application review fees.

(2) Regulations promulgated pursuant to this section must not alter public notice requirements for any permits, certifications, or licenses issued by the department.

(C) Until such time as regulations are promulgated pursuant to subsection (B), the department shall conduct a pilot expedited review program to determine the most environmentally sound, cost efficient, and economically beneficial process for implementation of a statewide expedited review program. The department shall determine which permit programs, or subcomponents of a program, to include in the pilot program and also may establish pilot program expedited process application fees.

(D) There is created the Expedited Review Fund that is separate and distinct from the general fund of the State and all other funds. Fees established in regulation pursuant to subsection (B)(1) and assessed pursuant to subsection (C) must be credited to the fund and used for the costs of implementing the expedited review program. Interest accruing to the fund must be retained by the fund and used for the same purposes. Revenue in the fund not expended during a fiscal year, including fees generated pursuant to subsection (C), must be carried forward to the succeeding fiscal year and must be used for the same purposes.

(E) No later than January 1, 2008, the department shall report to the Board of Health and Environmental Control the department's findings on the implementation of the pilot expedited review program provided for in subsection (C).

Section 44-1-170. The Department of Public Health and Environmental Control may direct and supervise the action of the local boards of health in incorporated cities and towns and in all townships in all matters pertaining to such local boards.

Section 44-1-180. The Department of Public Health and Environmental Control may establish charges for maintenance and medical care for all persons served in State health centers and other health facilities under the jurisdiction of the department and by personnel of the department and of the health units under its jurisdiction in homes and any other places where health services are needed. The terms “medical care” and “health services” include the services of physicians, dentists, optometrists, nurses, sanitarians, physical therapists, medical social workers, occupational therapists, health aides, speech therapists, X-ray technologists, dietitians, nutritionists, laboratory technicians, and other professional and subprofessional health workers. The charges, which may be adjusted from time to time, shall be reasonable and based on the total costs of the services rendered, including operating costs, depreciation costs, and all other elements of costs.

Section 44-1-190. The Department of Public Health and Environmental Control shall make such investigations as it deems necessary to determine which persons or which of the parents, guardians, trustees, committees or other persons or agencies legally responsible therefor are financially able to pay the expenses of the care and treatment, and may contract with any person or agency for the care and treatment of any person to the extent permitted by the resources available to the department. The department may require any county or State agency to furnish information which would be helpful to it in making the investigations. In arriving at the amount to be charged, the department shall have due regard for the financial condition and estate of the person, his present and future needs and the present and future needs of his lawful dependents, and whenever considered necessary to protect him or his dependents, may agree to accept a sum less than the actual cost of services. No person shall be deprived of available health services solely because of inability to pay. No fees shall be charged for services which in the judgment of the department should be made freely available in order to protect and promote the public health.

Section 44-1-200. The Department of Public Health and Environmental Control may provide home health services to those persons living in areas of the State in which adequate home health services are not available and may charge fees for such services. Home health services shall include care of the ill and disabled rendered at home including, but not limited to, bedside care, treatment and rehabilitation services. In order that it may provide such services, the department may employ the necessary personnel, including nurses, physical therapists, speech therapists, occupational therapists, medical social workers, home health aides, nutritionists, and supervisory personnel, and may purchase equipment and materials necessary to maintain an effective program. The department shall, wherever possible, assist and advise nonprofit agencies or associations in the development of home health services programs and may enter into agreements with such agencies or associations specifying the type of assistance and advice it will provide.

Section 44-1-210. All fees and charges collected pursuant to Sections 44-1-180 to 44-1-200, including vital statistics fees as now provided by law, shall be deposited in the State Treasury and shall be used in the operation of the public health program of the bureau, division, district health unit or local county health department which performed the services for which the fees and charges were collected. An annual report shall be made to the State Fiscal Accountability Authority, Executive Budget Office and the Revenue and Fiscal Affairs Office of the receipts and expenditures made under the provisions of Sections 44-1-180 to 44-1-200.

Section 44-1-215. Notwithstanding Section 13-7-85, the Department of Health and Environmental Control may retain all funds generated in excess of those funds remitted to the general fund in fiscal year 2000-2001 from fees listed in Regulation R61-64 Title B.

Section 44-1-220. All skilled and intermediate care nursing facilities licensed by the Department of Public Health and Environmental Control shall be required to furnish an item-by-item billing for all charges to the patient or the person paying such bill, upon request by such patient or person. Items which remain unpaid are not required to be itemized again. Such requests for itemized billing shall remain in effect until further notification by the patient or person paying such bill. Provided, that the provision herein shall not apply to the contracted amount of a state or federal agency. Any amount above such contract shall be itemized as provided herein.

Section 44-1-230. The Department of Public Health and Environmental Control shall give consideration to any benefits available to an individual, including private, group or other insurance benefits, to meet, in whole or in part, the cost of any medical or health services. Such benefits shall be utilized insofar as possible; provided, however, the availability of such benefits shall not be the sole basis for determining eligibility for program services of the department. Insurance carriers shall not deny payment of benefits otherwise available to the insured solely on the basis that an individual has applied for, or has been deemed eligible to receive, or has received, services, or on the basis that payments have been made for services by the department.

Section 44-1-260. Upon conducting an early periodic screening, diagnosis, and treatment screening (EPSDT), or another physical examination of a child from which it is determined that the child may benefit from the use of assistive technology, the department or person conducting the screening or examination may refer the child to an appropriate agency for an assistive technology evaluation. For purposes of this section, “assistive technology” means a device or service which is used to increase, maintain, or improve the functional capacities of an individual with a disability. An “assistive technology device” is an item, piece of equipment, or product system, whether acquired commercially, off the shelf, modified, or customized that is used to increase, maintain, or improve the functional capacities of an individual with a disability including, but not limited to, aids for daily living, augmentative communication devices, wheelchairs, and mobility aids, seating and positioning aids, computer aids, environmental controls, home and workplace modifications, prosthetics and orthotics, or aids for vision or hearing impairments. An “assistive technology service” is a service that directly assists an individual with a disability in the selection, acquisition, or use of an assistive technology device.

Section 44-1-280. The Board and Department of Public Health and Environmental Control in establishing priorities and funding for programs and services which impact on children and families during the first years of a child's life, within the powers and duties granted to it, must support, as appropriate, the South Carolina First Steps to School Readiness initiative, as established in Title 59, Chapter 152, at the state and local levels.

Section 44-1-290. A corporation or person whose only purpose is furnishing, supplying, marketing, or selling treated effluent for irrigation purposes, shall not be considered a public utility for purposes of Title 58 by virtue of the furnishing, supplying, marketing, or selling of the treated effluent, provided that the effluent has not been permitted for consumption by the department Department of Environmental Services or other regulatory agency.

Section 44-1-300. The department Department of Agriculture shall not use any funds appropriated or authorized to the department Department of Agriculture to enforce Regulation 61-25 to the extent that its enforcement would prohibit a church or charitable organization from preparing and serving food to the public on their own premises at not more than one function a month or not more than twelve functions a year.

E. Section 44-1-310 (A) and (J) of the S.C. Code is amended to read:

(A) The Department of Public Health and Environmental Control shall establish a Maternal Morbidity and Mortality Review Committee to review maternal deaths and to develop strategies for the prevention of maternal deaths. The committee must be multidisciplinary and composed of members deemed appropriate by the department. The committee also may review severe maternal morbidity. The department may contract with an external organization to assist in collecting, analyzing, and disseminating maternal mortality information, organizing and convening meetings of the committee, and performing other tasks as may be incident to these activities, including providing the necessary data, information, and resources to ensure successful completion of the ongoing review required by this section.

(J) Reports of aggregated nonindividually identifiable data for the previous calendar year must be compiled and disseminated by March first of the following year in an effort to further study the causes and problems associated with maternal deaths. Reports must be distributed to the General Assembly, the Director of the Department of Public Health and Environmental Control, health care providers and facilities, key governmental agencies, and others necessary to reduce the maternal death rate.

F. Section 44-1-310 of the S.C. Code is amended by adding:

(M) The Executive Office of Health and Policy shall have access to the data collected pursuant to Section 44-1-370 as necessary for the execution of duties of the Secretary of Health and Policy and in furtherance of the State Health Plan. The Executive Office of Health and Policy shall not disclose this data except as permitted by law.

G. Section 44-1-315 of the S.C. Code is amended to read:

Section 44-1-315. (A) For purposes of the section, “impacted location” means any facility issued or otherwise subject to a permit, license, or approval from the North Carolina Department of Environment and Natural Resources that has now been determined to be located within the jurisdiction of the South Carolina Department of Health and Environmental Control Services as a result of the amendments to Section 1-1-10, effective January 1, 2017.

(B) Notwithstanding any other provision of law, the South Carolina Department of Health and Environmental Control Services, in issuing any environmental permit, license, or approval to an impacted location shall provide a schedule of compliance that allows the permittee a reasonable period of time to be no greater than five years to come into compliance with any South Carolina environmental rule, regulation, or standard established by the department or by law that has no corresponding rule, regulation, or standard under North Carolina law or regulation, or is more stringent than the corresponding rule, regulation, or standard established under North Carolina law or regulation. The department may include increments of progress applicable in each year of the schedule established under this subsection, and may shorten the period of compliance as necessary to prevent an imminent threat to the public health and environment. The department may extend a permittee's compliance schedule under this section beyond five years upon written application by the permittee only if the department determines that circumstances reasonably require such an extension, and the extension of time would pose no threat to public health or the environment.

H. Sections 44-1-30, 44-1-40, 44-1-50, 44-1-70, 44-1-143, 44-1-145, and 44-1-148 of the S.C. Code are repealed.

SECTION 9. Article (1), Chapter 6, Title 44 of the S.C. Code is amended to read:

Article 1

General Provisions

Section 44-6-5. As used in this chapter:

(1) “Department” means the State Department of Health and Human Services.

(2) “Office” means the Revenue and Fiscal Affairs Office.

(3) “Costs of medical education” means the direct and indirect teaching costs as defined under Medicare.

(4) “Market basket index” means the index used by the federal government on January 1, 1986, to measure the inflation in hospital input prices for Medicare reimbursement. If that measure ceases to be calculated in the same manner, the market basket index must be developed and regulations must be promulgated by the commission using substantially the same methodology as the federal market basket uses on January 1, 1986. Prior to submitting the regulations concerning the index to the General Assembly for approval pursuant to the Administrative Procedures Act, the department shall submit them to the Health Care Planning and Oversight Committee for review.

(5) “Medically indigent” means:

(a) all persons whose gross family income and size falls at or below the federal Community Service Administration guidelines and who meet certain qualifying criteria regarding real property allowance, qualifying services, residency requirements, and other sponsorship, and migrant or seasonal farm workers who have no established domicile in any state; and

(b) all persons whose gross family income and size falls between one hundred percent and two hundred percent of the Community Service Administration guidelines who meet certain other qualifying criteria regarding real property allowance, qualifying services, residency requirements, and other sponsorship and whose medical bill is sufficiently large in relation to their income and resources to preclude full payment. For the purposes of this definition, the qualifying criteria for real property allowance shall permit ownership of up to fifty acres of farmland upon which the family has resided for at least twenty-five years.

(6) “Net inpatient charges” means the total gross inpatient charges, minus the unreimbursed cost of medical education and the unreimbursed cost of providing medical care to medically indigent persons. The cost of care provided by a hospital to meet its Hill-Burton obligation is not considered an unreimbursed cost of providing medical care to medically indigent persons.

(7) “South Carolina growth index” means the percentage points added to the market basket index to adjust for the South Carolina specific experience. The Health Care Planning and Oversight Committee shall complete a study which identifies and quantifies those elements which should be included in the growth index. The elements may include, but are not limited to: population increases, aging of the population, changes in the type and intensity of hospital services, technological advances, the cost of hospital care in South Carolina relative to the rest of the nation, and needed improvements in the health status of state residents. Based on the study, the department shall develop and promulgate regulations for the annual computation of the growth index. Prior to submitting the regulations concerning the index to the General Assembly for approval pursuant to the Administrative Procedures Act, the department shall submit them to the Health Care Planning and Oversight Committee for review. Until a formula for computing the South Carolina growth index is promulgated, the annual index must be six and six-tenths percent which is equal to the average percentage difference between South Carolina hospital expenditures and the federal market basket index for the previous ten years.

(8) “State resident” means a person who is domiciled in South Carolina. A domicile once established is lost or changes only when one moves to a new locality with the intention of abandoning his old domicile and intends to live permanently or indefinitely in the new locale.

(9) “Target rate of increase” means the federal market basket index as modified by the South Carolina growth index.

(10) “General hospital” means any hospital licensed as a general hospital by the Department of Health and Environmental Control.

(1) “Costs of medical education” means the direct and indirect teaching costs as defined under Medicare.

(2) “Department” means the Department of Health Financing.

(3) “General hospital” means any hospital licensed as a general hospital by the Department of Public Health.

(4) “Market basket index” means the index used by the federal government on January 1, 1986, to measure the inflation in hospital input prices for Medicare reimbursement. If that measure ceases to be calculated in the same manner, the market basket index must be developed and regulations must be promulgated by the department using substantially the same methodology as the federal market basket uses on January 1, 1986. Prior to submitting the regulations concerning the index to the General Assembly for approval pursuant to the Administrative Procedures Act, the department shall submit them to the Health Care Planning and Oversight Committee for review.

(5) “Medically indigent” means:

(a) all persons whose gross family income and size falls at or below the federal Community Service Administration guidelines and who meet certain qualifying criteria regarding real property allowance, qualifying services, residency requirements, and other sponsorship, and migrant or seasonal farm workers who have no established domicile in any state; and

(b) all persons whose gross family income and size falls between one hundred percent and two hundred percent of the Community Service Administration guidelines who meet certain other qualifying criteria regarding real property allowance, qualifying services, residency requirements, and other sponsorship and whose medical bill is sufficiently large in relation to their income and resources to preclude full payment. For the purposes of this definition, the qualifying criteria for real property allowance shall permit ownership of up to fifty acres of farmland upon which the family has resided for at least twenty-five years.

(6) “Net inpatient charges” means the total gross inpatient charges, minus the unreimbursed cost of medical education and the unreimbursed cost of providing medical care to medically indigent persons. The cost of care provided by a hospital to meet its Hill-Burton obligation is not considered an unreimbursed cost of providing medical care to medically indigent persons.

(7) “Office” means the Revenue and Fiscal Affairs Office.

(8) “Secretary” means the Secretary of Health and Policy.

(9) “South Carolina growth index” means the percentage points added to the market basket index to adjust for the South Carolina specific experience. The elements of the South Carolina growth index may include, but are not limited to, population increases, aging of the population, changes in the type and intensity of hospital services, technological advances, the cost of hospital care in South Carolina relative to the rest of the nation, and needed improvements in the health status of state residents. The department shall develop and promulgate regulations for the annual computation of the growth index.

(10) “State resident” means a person who is domiciled in South Carolina. A domicile once established is lost or changes only when one moves to a new locality with the intention of abandoning his old domicile and intends to live permanently or indefinitely in the new locale.

(11) “Target rate of increase” means the federal market basket index as modified by the South Carolina growth index.

Section 44-6-10. There is created the State Department of Health and Human Services Financing which shall be headed by a Director appointed by the Governor, upon the advice and consent of the Senate Secretary of Health and Policy. The director is subject to removal by the Governor Secretary pursuant to the provisions of Section 1-3-240 Section 44-12-50(B)(1).

Section 44-6-30. The department shall:

(1) administer Title XIX of the Social Security Act (Medicaid), including the Early Periodic Screening, Diagnostic and Treatment Program, and the Community Long-Term Care System;

(2) be designated as the South Carolina Center for Health Statistics to operate the Cooperative Health Statistics Program pursuant to the Public Health Services Act;

(3) be prohibited from engaging in the delivery of services.

(3) administer payments for programs as designated by the Secretary;

(4) be prohibited from engaging in the delivery of services.

Section 44-6-35. In administering home- and community-based waiver programs, the department shall, to the extent possible, maintain the waiver status of an eligible family member of a member of the armed services who maintains his South Carolina state residence, regardless of where the service member is stationed. Consequently, a person on a waiver waiting list would return to the same place on the waiting list when the family returns to South Carolina. Furthermore, the eligible family member previously enrolled in a waiver program and who received active services would be reinstated into the waiver program once Medicaid eligibility is established, upon their return to South Carolina. It is not the intent of this section to authorize services provided outside the South Carolina Medicaid Service Area. These provisions are contingent upon the department receiving federal approval.

Section 44-6-40. For all health and human services interagency programs provided for in this chapter, the department shall have the following duties:

(1) Prepare and approve state and federal plans prior to submission to the appropriate authority as required by law for final approval or for state or federal funding, or both.

Such plans shall be guided by the goal of delivering services to citizens and administering plans in the most effective and efficient ways possible.

(2) Compile and maintain in a unified, concise, and orderly form information concerning programs provided for in this chapter.

(3) Continuously review and evaluate programs to determine the extent to which they:

(a) meet fiscal, administrative, and program objectives; and

(b) are being operated cost effectively.

(4) Evaluate plans and programs in terms of their compatibility with state objectives and priorities giving specific attention to areas outlined in Section 44-6-70.

(5) Formulate for consideration and promulgation criteria, standards, and procedures that ensure assigned programs are administered effectively, equitably, and economically and in accordance with statewide policies and priorities.

(6) Inform the Governor and the General Assembly Secretary as to the effectiveness of the criteria, standards, and procedures promulgated pursuant to item (5) of this section.

(7) Develop in conjunction with other state agencies Cooperate with the Secretary in the development of an information system to provide data on comparative client and fiscal information needed for programs.

(8) Develop a mechanism for local planning.

(9) Obtain from participating state agencies Coordinate with the Secretary to obtain information considered necessary by the department to perform duties assigned to the department.

Section 44-6-45. The State Department of Health and Human Services Financing may collect administrative fees associated with accounts receivable for those individuals or entities which negotiate repayment to the agency. The administrative fee may not exceed one and one-half percent of the amounts negotiated and must be remitted to the State Treasurer and deposited to the credit of the general fund of the State.

Section 44-6-50. In carrying out the duties provided for in Section 44-6-30, the department shall:

(1) Contract for health and human services eligibility determination with performance standards regarding quality control as required by law or regulation.

(2) Contract for operation of certified Medicaid management information claims processing system. For the first year of its operation it shall contract for such system with the Department of Social Services.

(3) Contract for other operational components of programs administered under this chapter as considered appropriate.

(4) Monitor and evaluate all contractual services authorized pursuant to this chapter to assure effective performance. Any contract entered into under the provisions of this chapter must be in accordance with the provisions of the South Carolina Consolidated Procurement Code.

(5) Establish a procedure whereby inquiries from members of the General Assembly concerning the department's work and responsibility shall be answered as expeditiously and definitely as possible in coordination with the Secretary.

Section 44-6-70. A state plan must be prepared by the department for each program assigned to it and the department must also prepare resource allocation recommendations based on such plans. The resource allocation recommendations must be approved pursuant to state and federal law. The state plans must address state policy and priority areas of service with specific attention to the following objectives:

(a) Prevention measures as addressed in health and human services programs.

(b) Achievement of a balanced health care delivery system assuring that regulations, coverage, and reimbursement policies assure that while the most appropriate care is given, tailored to the client's needs, it is delivered in the most cost-effective manner.

(c) Simplification of paperwork requirements.

(d) Achievement of optimum cost effectiveness in administration and delivery of services provided quality of care is assured.

(e) Improvement of effectiveness of third party reimbursement efforts.

(f) Assurance of maximum utilization of private and nonprofit providers in administration and service delivery systems, provided quality of care is assured.

(g) Encouragement of structured volunteer programs in administration and service delivery.

Section 44-6-80. The department must submit to the Governor, the State Fiscal Accountability Authority, Revenue and Fiscal Affairs Office, and the Executive Budget Office, and the General Assembly Secretary an annual report concerning the work of the department including details on improvements in the cost effectiveness achieved since the enactment of this chapter and must recommend changes for further improvements.

Interim reports must be submitted as needed to advise the Governor and the General Assembly Secretary of substantive issues.

Section 44-6-90. The department may promulgate regulations to carry out its duties. Prior to submission of these regulations, the department must receive approval from the Secretary of Health and Policy.

All state and local agencies whose responsibilities include administration or delivery of services which are covered by this chapter shall cooperate with the department and comply with its regulations.

Section 44-6-100. The department employees shall have such general duties and receive such compensation as determined by the director, with the authority given by the Secretary. The director shall be responsible for administration of state personnel policies and general department personnel policies of the Executive Office of Health and Policy. The director shall have sole authority to employ and discharge employees subject to such personnel policies and funding available for that purpose.

In all instances, the director shall serve as the chief administrative officer of the department and shall have the responsibility of executing policies, directives, and actions of the department either personally or by issuing appropriate directives to the employees.

The goal of the provisions of this section is to ensure that the department's business is conducted according to sound administrative practice, without unnecessary interference with its internal affairs. Public officers and employees shall be guided by this goal and comply with these provisions.

Section 44-6-110. A Medicaid provider, outside of the geographical boundary of South Carolina but within the South Carolina Medicaid Service Area, as defined by R. 126-300(B) of the Code of State Regulations, prior to the effective date of the amendments to Section 1-1-10, which are effective January 1, 2017, shall not lose status as a Medicaid provider as a result of the clarification of the South Carolina-North Carolina border.

Section 44-6-115. (A) Pharmacy services are a benefit under South Carolina Medicaid, subject to approval by the federal Centers for Medicare and Medicaid Services. The department shall establish a fee schedule for the list of pharmacy services.

(B)(1) The following services are covered pharmacy services that may be provided to a Medicaid beneficiary:

(a) dispensing self-administered hormonal contraceptives, as outlined and authorized in Section 40-43-230; and

(b) administering injectable hormonal contraceptives, as outlined and authorized in Section 40-43-230.

(2) Covered pharmacy services shall be subject to department protocols and utilization controls.

(C) A pharmacist shall be enrolled as an ordering, referring, and dispensing provider under the Medicaid program prior to rendering a pharmacist service that is submitted by a Medicaid pharmacy provider for reimbursement pursuant to this section.

(D) The director of the department shall seek any necessary federal approvals to implement this section. This section shall not be implemented until the necessary federal approvals are obtained and shall be implemented only to the extent that federal financial participation is available.

(E) This section does not restrict or prohibit any services currently provided by pharmacists as authorized by law including, but not limited to, this chapter or the Medicaid state plan.

SECTION 10.A. Section 44-6-140(A)(2) of the S.C. Code is amended to read:

(2) payment on a timely basis to the hospital by the commission department or patient or both, of the maximum allowable payment amount determined by the commission department; and

B. Section 44-6-146(A) of the S.C. Code is amended to read:

(A) Every fiscal year the State Treasurer shall withhold from the portion of the Local Government Fund allotted to the counties a sum equal to fifty cents per capita based on the population of the several counties as shown by the latest official census of the United States. The money withheld by the State Treasurer must be placed to the credit of the commission department and used to provide Title XIX (Medicaid) services.

C. Section 44-6-150 (A) of the S.C. Code is amended to read:

(A) There is created the South Carolina Medically Indigent Assistance Program administered by the department. The program is authorized to sponsor inpatient hospital care for which hospitals shall receive no reimbursement. A general hospital equipped to provide the necessary treatment shall:

(1) admit a patient sponsored by the program; and

(2) accept the transfer of a patient sponsored by the program from a hospital which is not equipped to provide the necessary treatment.

In addition to or in lieu of an action taken affecting the license of the hospital, when it is established that an officer, employee, or member of the hospital medical staff has violated this section, the South Carolina Department of Public Health and Environmental Control shall require the hospital to pay a civil penalty of up to ten thousand dollars.

D. Section 44-6-170 (A), (B), (C), and (I) of the S.C. Code is amended to read:

(A) As used in this section:

(1) “Office” means the Revenue and Fiscal Affairs Office.

(2) “Council” means the Data Oversight Council.

(3) “Committee” means the Joint Legislative Health Care Planning and Oversight Committee.

(B) There is established the Data Oversight Council comprised of:

(1) one hospital administrator;

(2) the chief executive officer or designee of the South Carolina Hospital Association;

(3) one physician;

(4) the chief executive officer or designee of the South Carolina Medical Association;

(5) one representative of major third-party health care payers;

(6) one representative of the managed health care industry;

(7) one nursing home administrator;

(8) three representatives of nonhealth care-related businesses;

(9) one representative of a nonhealth care-related business of less than one hundred employees;

(10) the executive vice president or designee of the South Carolina Chamber of Commerce;

(11) a member of the Governor's office staff;

(12) the director or his designee of the South Carolina Department of Public Health and Environmental Control;

(13) the executive director or his designee of the State Department of Health and Human Services Financing.

The members enumerated in items (1) through (10) must be appointed by the Governor for three-year terms and Secretary until their successors are appointed and qualify; the remaining members serve ex officio. The Governor Secretary shall appoint one of the members to serve as chairman. The office shall provide staff assistance to the council.

(C) The duties of the council are to:

(1) make periodic recommendations to the committee and the General Assembly Secretary concerning the collection and release of health care-related data by the State which the council considers necessary to assist in the formation of health care policy in the State;

(2) convene expert panels as necessary to assist in developing recommendations for the collection and release of health care-related data;

(3) approve all regulations for the collection and release of health care-related data to be promulgated by the office;

(4) approve release of health care-related data consistent with regulations promulgated by the office;

(5) recommend to the office appropriate dissemination of health care-related data reports, training of personnel, and use of health care-related data.

(I) A person, as defined in Section 44-7-130, seeking to collect health care data or information for a registry shall coordinate with the office to utilize existing data collection formats as provided for by the office and consistent with regulations promulgated by the office. With the exception of information that may be obtained from the Office of Vital Records, Department of Public Health and Environmental Control, in accordance with Section 44-63-20 and Regulation 61-19 and disease information required to be reported to the Department of Public Health and Environmental Control under Sections 44-29-10, 44-29-70, and 44-31-10 and Regulations 61-20 and 61-21 and notwithstanding any other provision of law, no hospital or health care facility or health care professional required by this section to submit health care data is required to submit data to a registry which has not complied with this section.

E. Section 44-6-170 of the S.C. Code is amended by adding:

(J) The Executive Office of Health and Policy shall have access to data collected pursuant to Section 44-6-170 as necessary for the execution of duties of the Secretary of Health and Policy and in furtherance of the State Health Plan. The Executive Office of Health and Policy shall not disclose this data except as permitted by law.

F. Section 44-6-190 of the S.C. Code is amended to read:

Section 44-6-190. The department may promulgate regulations pursuant to the Administrative Procedures Act. Appeals from decisions by the department are heard pursuant to the Administrative Procedures Act, Administrative Law Judge, Article 5, Chapter 23 of Title 1 of the 1976 Code.

The department shall promulgate regulations to comply with federal requirements to limit the use or disclosure of information concerning applicants and recipients to purposes directly connected with the administration of the Medicaid program.

Prior to submission of these regulations, the department must receive approval from the Secretary of Health and Policy.

G. Section 44-6-400 of the S.C. Code is amended to read:

Section 44-6-400. As used in this article:

(1) “Department” means the Department of Health and Human Services Financing.

(2) “Nursing home” means a facility subject to licensure as a nursing home by the Department of Public Health and Environmental Control and subject to the permit provisions of Article 2, Chapter 7 of Title 44 and which has been certified for participation in the Medicaid program or has been dually certified for participation in the Medicaid and Medicare programs.

(3) “Resident” means a person who resides or resided in a nursing home during a period of an alleged violation.

(4) “Survey agency” means the South Carolina Department of Public Health and Environmental Control or any other agency designated to conduct compliance surveys of nursing facilities participating in the Title XIX (Medicaid) program.

H. Section 44-6-530 of the S.C. Code is amended to read:

Section 44-6-530. Before instituting an action under this article, the Department of Health and Human Services Financing shall determine if the Secretary of the United States Department of Health and Human Services has jurisdiction under federal law. In such cases, it shall coordinate its efforts with the Secretary of the United States Department of Health and Human Services to maintain an action against the nursing home. In an action against a nursing home owned and operated by the State of South Carolina, the Secretary of the United States Department of Health and Human Services has exclusive jurisdiction.

I. Section 44-6-540 of the S.C. Code is amended to read:

Section 44-6-540. The department is authorized to promulgate regulations, pursuant to the Administrative Procedures Act, to administer this article, and to ensure compliance with the requirements for participation in the Medicaid program. Prior to submission of these regulations, the department must receive approval from the Secretary of Health and Policy.

J. Section 44-6-720(B)(4)(b)(iv) of the S.C. Code is amended to read:

(iv) other deductions provided in regulations of the State Health and Human Services Finance Commission Department of Health Financing;

K. Section 44-6-730 of the S.C. Code is amended to read:

Section 44-6-730. The State Health and Human Services Finance Commission Department of Health Financing shall promulgate regulations as are necessary for the implementation of this article and as are necessary to comply with federal law. Prior to submission of these regulations, the department must receive approval from the Secretary of Health and Policy. In addition, the commission department shall amend the state Medicaid plan in a manner that is consistent with this article.

L. Section 44-6-1010 of the S.C. Code is amended to read:

Section 44-6-1010. There is created within the Department of Health and Human Services Financing the Pharmacy and Therapeutics Committee. The committee must consist of fifteen members appointed by the director and serving at the pleasure of the director of the department. The members must include eleven physicians and four pharmacists licensed to practice in South Carolina and actively engaged in providing services to the South Carolina Medicaid population. The physicians may include, but are not limited to, doctors who have experience in treating diabetes, cancer, HIV/AIDS, mental illness, and hemophilia and who practice in internal medicine, primary care, and pediatrics.

M. Article (5), Chapter 6, Title 44 of the S.C. Code is repealed.

SECTION 11.A. Section 44-7-77 of the S.C. Code is amended to read:

Section 44-7-77. The Department of Public Health and Environmental Control and the State Department of Social Services, in conjunction with the South Carolina Hospital Association, shall develop and implement a program to promote obtaining voluntary acknowledgments of paternity as soon after birth as possible and where possible before the release of the newborn from the hospital. A voluntary acknowledgment including those obtained through an in-hospital program shall contain the requirements of Section 63-17-60(A)(4) and the social security number, or the alien identification number assigned to a resident alien who does not have a social security number, of both parents, and must be signed by both parents. The signatures must be notarized. As part of its in-hospital voluntary acknowledgment of paternity program, a birthing hospital as part of the birth registration process, shall collect, where ascertainable, information which is or may be necessary for the establishment of the paternity of the child and for the establishment of child support. The information to be collected on the father or on the putative father if paternity has not been established includes, but is not limited to, the name of the father, his date of birth, home address, social security number, or the alien identification number assigned to a resident alien who does not have a social security number, and employer's name, and additionally for the putative father, the names and addresses of the putative father's parents.

B. Section 44-7-80(6) of the S.C. Code is amended to read:

(6) “Department” means the Department of Public Health and Environmental Control.

C. Section 44-7-84 of the S.C. Code is amended to read:

Section 44-7-84. (A) In the annual appropriations act, the General Assembly shall establish the maximum number of Medicaid patient days for which the department is authorized to issue Medicaid nursing home permits. The State Department of Health and Human Services Financing shall provide the number of Medicaid patient days available to the department within thirty days after the effective date of the annual appropriations act.

(B) Based on a method the department develops for determining the need for nursing home care for Medicaid patients in each area of the State, the department shall determine the distribution of Medicaid patient days for which Medicaid nursing home permits can be issued. Nursing homes holding a Medicaid nursing home permit must be allocated Medicaid days based on their current allocation and available funds. Requests for days must be submitted to the department no later than June fifteenth each year. The department shall issue permits to the facilities by August first of each year. The application must state the specific number of Medicaid patient days the nursing home will provide. If a nursing home requests fewer days than the previous year, or is permitted fewer days, those days first must be offered to the facilities within the same county currently holding a Medicaid nursing home permit. However, if Medicaid patient days remain available after being offered to those nursing homes currently holding a Medicaid patient days permit in that county, then existing nursing homes with a restricted Certificate of Need, within the same county, may apply for a Medicaid nursing home permit to receive the Medicaid permit days remaining available. Following the initial allocation of Medicaid patient days, any additional Medicaid permit days must be credited to a statewide pool and the days must be allocated to those counties showing the greatest need based on the average number of fully eligible Medicaid nursing facility applicants by county in the Community Long Term Care awaiting placement reports for the past twelve months. The Department of Health and Human Services Financing shall provide this information to the department no later than July fifteenth of each year. The Medicaid permit days must be proportionately allocated to each facility within the county that currently holds a Medicaid permit and is currently in compliance with its Medicaid permit. A facility is deemed to be in compliance for allocation of these additional Medicaid permit days if it has not exceeded its stated Medicaid permit by more than seven percent. In addition, a nursing home that provides less than ninety percent of the stated Medicaid permit in any fiscal year may not apply for additional Medicaid permit days in the next fiscal year. If a nursing home fails to provide ninety percent of the stated Medicaid permit days for two consecutive fiscal years, the department may issue a Medicaid nursing home permit for fewer days than requested in order to ensure that the nursing home will serve the minimum number of Medicaid patients and that the State will optimize the available Medicaid days. If a nursing home has its Medicaid patient days reduced, the freed days first must be offered to other facilities in the same county before being offered to other nursing homes in the State. The department shall analyze the performance of nursing homes that are under the permit minimum or exceed the permit maximum for a fiscal year, including utilization data from the State Department of Health and Human Services Financing, anticipated back days, delayed payments, CLTC waiting list, and other factors considered significant by the department. A nursing home which terminates its Medicaid contract must not be penalized for not meeting the requirements of this section if the nursing home was in compliance with its permit at the time of the cancellation. Facilities designated as Special Focus Facilities may not be issued additional Medicaid permit days while they remain on the Special Focus list.

(C) If the Department of Health and Human Services Financing or the General Assembly decreases the number of Medicaid patient days available to the department, the department shall proportionately decrease the authorized Medicaid patient days for each nursing home. If additional Medicaid patient days are authorized in the following year, they must be restored proportionately to each nursing home in accordance with subsection (B).

D. Section 44-7-90 of the S.C. Code is amended to read:

Section 44-7-90. (A) Based on reports from the State Department of Health and Human Services Financing, the department shall determine each nursing home's compliance with its Medicaid nursing home permit. Violations of this article include:

(1) a nursing home exceeding by more than five percent the number of Medicaid patient days stated in its permit;

(2) the provisions of any Medicaid patient days by a home without a Medicaid nursing home permit.

(B) A nursing home which exceeds its Medicaid patient days stated in its permit may be fined on the number of Medicaid patient days exceeding the permit days multiplied by its daily Medicaid per diem. Medicaid permit days provided to Complex Care residents, as certified by the Department of Health and Human Services Financing, must not be counted against the facility's Medicaid permit for the first six months of their care. Any complex care provided after six months must be counted toward the facility's Medicaid patient days under the permit days times their daily Medicaid per diem rate less the statewide average patient per diem recurring income times thirty percent. Complex Care reimbursement must not be used in the fine calculation. A facility may be fined incrementally for exceeding its Medicaid permit. Violations above five and up to ten percent of the stated permit may be fined at thirty percent of its Medicaid per diem rate less the statewide average patient per diem recurring income times the number of excess Medicaid permit days. A facility may be fined fifty percent of its Medicaid per diem rate less the statewide average patient per diem recurring income for each day above ten and up to fifteen percent of its Medicaid permit. A facility may be fined seventy percent of its Medicaid per diem rate less the statewide average patient per diem recurring income for each day in excess of fifteen percent of its stated Medicaid permit. A facility may appeal to the department any fine for days over its permit based on the facility's inability to discharge a resident based on the requirements of Section 44-7-88 if the facility can prove:

(1) the resident's primary pay source upon admission was not Medicaid;

(2) the resident did not convert to Medicaid within twenty days of being admitted as a Medicare or Medicaid replacement policy resident; and

(3) the resident did not convert to Medicaid within thirty days of being admitted as a private pay resident.

(C) In the event of a voluntary or involuntary discontinuation of participation of a nursing facility in the Medicaid program, the State must ensure that the facility provides for patient safety and freedom of choice. The Department of Public Health and Environmental Control and the Department of Health and Human Services Financing must determine the availability of existing patient days statewide for the purpose of relocating these patients. Based upon this determination, the department, at its discretion, may reallocate the patient days from a facility discontinuing its Medicaid participation to a facility that participates in the Medicaid program and agrees to accept the residents from the facility that is discontinuing Medicaid participation. The Medicaid permit day shall permanently remain with the facility accepting the resident. In the allocation of patient days from the facility discontinuing Medicaid participation, the department must give first priority to restoring a county's allocation where a facility holding a permit closes, or discontinues participation in Medicaid. A nursing home receiving beds under the provisions of this subsection must not be a Special Focus Facility at the time of allocation.

(D) Effective July 1, 2014, All nursing facility providers holding a Medicaid permit must report their daily Medicaid resident census information to the South Carolina Department of Health and Human Services Financing or its contractor for the purpose of maintaining a statewide bed locator and permit day tracking system.

(E) Each Medicaid day above the allowable range is considered a separate violation. A fine assessed against a nursing home must be deducted from the nursing home's Medicaid reimbursement.

E. Section 44-7-130 (4), (10), and (24) of the S.C. Code is amended to read:

(4) “Board” means the State Board of Health and Environmental Control Reserved.

(10) “Department” means the Department of Public Health and Environmental Control.

(24) “Solely for research” means a service, procedure, or equipment which has not been approved by the Food and Drug Administration (FDA) but which is currently undergoing review by the FDA as an investigational device. FDA research protocol and any applicable Investigational Device Exemption (IDE) policies and regulations must be followed by a facility proposing a project “solely for research”. (24) “Secretary” means the Secretary of Health and Policy.

(25) “Solely for research” means a service, procedure, or equipment which has not been approved by the Food and Drug Administration (FDA) but which is currently undergoing review by the FDA as an investigational device. FDA research protocol and any applicable Investigational Device Exemption (IDE) policies and regulations must be followed by a facility proposing a project “solely for research”.

F. Section 44-7-150(A)(3) and (5) of the S.C. Code is amended to read:

(3) adopt in accordance with Article I of the Administrative Procedures Act substantive and procedural regulations considered necessary by the department and approved by the board Secretary to carry out the department's licensure duties under this article;

(5) promulgate regulations, in accordance with the Administrative Procedures Act, that establish fees as authorized by this article. Prior to the submission of these regulations, the department must receive approval from the Secretary of Health and Policy.

G. Section 44-7-170(A) of the S.C. Code is amended by adding:

(4) the establishment or addition of inpatient psychiatric beds pursuant to an agreement with a South Carolina state agency to apply appropriated funds for increased access or availability of services.

H. Section 44-7-190 of the S.C. Code is amended to read:

Section 44-7-190. (A) The department shall adopt, upon approval of the board Secretary, Project Review Criteria which, at a minimum, must provide for the determination of need for health care facilities, beds, services and equipment, including demographic needs, appropriate distribution, and utilization; accessibility to underserved groups; availability of facilities and services without regard to ability to pay; absence of less costly and more effective alternatives; appropriate financial considerations, including method of financing, financial feasibility, and cost containment; consideration of impact on health systems resources; site and building suitability; consideration of quality of care; and relevant special considerations as may be appropriate. The Project Review Criteria must be adopted as a regulation pursuant to the Administrative Procedures Act.

(B) The project review criteria promulgated in regulation must be used in reviewing all projects under the Certificate of Need process. When the criteria are weighted to determine the relative importance for the specific project, the department may reorder the relative importance of the criteria no more than one time after the project review meeting. When an application has been appealed, the department may not change the weighted formula.

(C) Project review criteria must prioritize timely access to health care services and seek a balance between competition in the marketplace and regulation in the provision of health care and must support reasonable patient choice in health care facilities and services. The department shall promulgate regulations within one year of the effective date of this act identifying how the department will incorporate these considerations in reviewing Certificate of Need applications.

I. Section 44-7-200 (C), (D), and (E) of the S.C. Code is amended to read:

(C) Upon publication of this notice and until a contested case hearing is requested pursuant to Section 44-1-60(G):

(1) members of the board and persons appointed by the board to hold a final review conference on staff decisions may not communicate directly or indirectly with any person in connection with the application; and

(2) no person shall communicate, or cause another to communicate, as to the merits of the application with members of the board and persons appointed by the board to hold a final review conference on staff decisions.

A person who violates this subsection is subject to the penalties provided in Section 1-23-360.

(D)(C) After receipt of an application with proof of publication and payment of the initial application fee, the department shall publish in the State Register a notice that an application has been accepted for filing. Within fifteen days of acceptance of the application, the department may request additional information as may be necessary to complete the application. The applicant has fifteen days from the date of the request to submit the additional information. If the applicant fails to submit the requested information within the fifteen-day period, the application is considered withdrawn.

(E)(D) After a Certificate of Need application has been filed with the department, state and federal elected officials are prohibited from communicating with the department with regard to the Certificate of Need application at any time. This prohibition does not include written communication of support or opposition to an application. Such written communication must be included in the administrative record.

J. Section 44-7-210 (C), (D), (E), (F), and (G) of the S.C. Code is amended to read:

(C) On the basis of staff review of the application, the staff shall make a staff decision to grant or deny the Certificate of Need and the staff shall issue a decision in accordance with Section 44-1-60(D). Notice of the decision must be sent to the applicant and affected persons who have asked to be notified. The decision becomes the final agency decision unless a timely written request for a final review is filed with the department as provided for in Section 44-1-60(E).

However, a person may not file a request for final review of a contested case hearing in opposition to the staff decision on a Certificate of Need unless the person provided written notice to the department during the staff review that he is an affected person and specifically states his opposition to the application under review.

(D) The staff's decision is not the final agency decision until the completion of the final review process provided for in Section 44-1-60(F).

(E)(D) A contested case hearing of the final agency decision must be requested in accordance with Section 44-1-60(G). The issues considered at the contested case hearing considering a Certificate of Need are limited to those presented or considered during the staff review.

(F)(E) Notwithstanding any other provision of law, including Section 1-23-650(C), in a contested case arising from the department's decision to grant or deny a Certificate of Need application, grant or deny a request for exemption under Section 44-7-170, or the issuance of a determination regarding the applicability of Section 44-7-160, the following apply:

(1) each party may name no more than five witnesses who may testify at the contested case hearing;

(2) each party is permitted to take only the deposition of a person listed by an opposing party as a witness who may testify at the contested case hearing and one Federal Rules of Civil Procedure Rule 30(b)(6) deposition;

(3) each party is permitted to serve only ten interrogatories pursuant to Rule 33 of the South Carolina Rules of Civil Procedure;

(4) each party is permitted to serve only ten requests for admission, including subparts;

(5) each party is permitted to serve only fifteen requests for production, including subparts; and

(6) the parties shall complete discovery within one hundred twenty days after the assignment of the administrative law judge.

(G)(F) Notwithstanding any other provision of law, in a contested case arising from the department's decision to grant or deny a Certificate of Need application, grant or deny a request for exemption under Section 44-7-170, or the issuance of a determination regarding the applicability of Section 44-7-160, the Administrative Law Court shall file a final decision no later than twelve months after the contested case is filed with the Clerk of the Administrative Law Court. An affected person who was a party to the contested case has a right to appeal to the Supreme Court final decisions issued by the Administrative Law Court for a contested case arising from the department's decision to grant or deny a Certificate of Need application, grant or denial of a request for exemption under Section 44-7-170, or the issuance of a determination regarding the applicability of Section 44-7-160.

K. Section 44-7-260 (B) and (E) of the S.C. Code is amended to read:

(B) The licensing provisions of this article do not apply to:

(1) infirmaries for the exclusive use of the student bodies of privately-owned educational institutions which maintain infirmaries;

(2) community-based housing sponsored, licensed, or certified by the South Carolina Department of Intellectual and Related Disabilities and Special Needs. The Department of Intellectual and Related Disabilities and Special Needs shall provide to the Department of Public Health and Environmental Control the names and locations of these facilities on a continuing basis; or

(3) homeshare programs designated by the Department of Mental Behavioral Health and Substance Abuse Services, provided that these programs do not serve more than two persons at each program location, the length of stay does not exceed fourteen consecutive days for one of the two persons, and the temporarily displaced person must be directly transferred from a homeshare program location. The Department of Mental Behavioral Health and Substance Abuse Services shall provide to the Department of Public Health and Environmental Control the names and locations of these programs on a continuing basis.

(E) No person, regardless of his ability to pay or county of residence, may be denied emergency care if a member of the admitting hospital's medical staff or, in the case of a transfer, a member of the accepting hospital's medical staff determines that the person is in need of emergency care. “Emergency care” means treatment which is usually and customarily available at the respective hospital and that must be provided immediately to sustain a person's life, to prevent serious permanent disfigurement, or loss or impairment of the function of a bodily member or organ, or to provide for the care of a woman in active labor if the hospital is so equipped and, if the hospital is not so equipped, to provide necessary treatment to allow the woman to travel to a more appropriate facility without undue risk of serious harm. In addition to or in lieu of any action taken by the South Carolina Department of Public Health and Environmental Control affecting the license of any hospital, when it is established that any officer, employee, or member of the hospital medical staff has recklessly violated the provisions of this section, the department may require the hospital to pay a civil penalty of up to ten thousand dollars.

L. Section 44-7-265 of the S.C. Code is amended to read:

Section 44-7-265. The department shall promulgate regulations for licensing freestanding or mobile technology. Prior to submission of these regulations, the department must receive approval from the Secretary of Health and Policy. At a minimum, the regulations must include:

(1) standards for the maintenance and operation of freestanding or mobile technology to ensure the safe and effective treatment of persons served;

(2) a description of the professional qualifications necessary for personnel to operate the equipment and interpret the test results;

(3) minimum staffing requirements to ensure the safe operation of the equipment and interpret the test results; and

(4) that all freestanding or mobile technology must be in conformance with professional organizational standards.

M. Section 44-7-266(D) of the S.C. Code is amended to read:

(D) The department shall promulgate regulations within one year of the effective date of this act setting forth the necessary duties to comply with this provision. Prior to submission of these regulations, the department must receive approval from the Secretary of Health and Policy.

N. Section 44-7-370 of the S.C. Code is amended to read:

Section 44-7-370. (A) The South Carolina Department of Public Health and Environmental Control shall establish a Residential Care Committee to advise the department regarding licensing and inspection of community residential care facilities.

(1) The committee consists of the Long Term Care Ombudsman, three operators of homes with ten beds or less, four operators of homes with eleven beds or more, and three members to represent the department appointed by the commissioner director for terms of four years.

(2) The terms must be staggered and no member may serve more than two consecutive terms. Any person may submit names to the commissioner director for consideration. The advisory committee shall meet at least once annually with representatives of the department to evaluate current licensing regulations and inspection practices. Members shall serve without compensation.

(B) The Department of Public Health and Environmental Control shall appoint a Renal Dialysis Advisory Council to advise the department regarding licensing and inspection of renal dialysis centers. The council must be consulted and have the opportunity to review all regulations promulgated by the board department affecting renal dialysis prior to submission of the proposed regulations to the General Assembly.

(1) The council is composed of a minimum of fourteen persons, one member recommended by the Palmetto Chapter of the American Nephrology Nurses Association; one member recommended by the South Carolina Chapter of the National Association of Patients on Hemodialysis and Transplants; three physicians specializing in nephrology recommended by the South Carolina Renal Physicians Association; two administrators of facilities certified for dialysis treatment or kidney transplant services; one member recommended by the South Carolina Kidney Foundation; one member recommended by the South Carolina Hospital Association; one member recommended by the South Carolina Medical Association; one member of the general public; one member representing technicians working in renal dialysis facilities; one member recommended by the Council of Nephrology Social Workers; and one member recommended by the Council of Renal Nutritionists. The directors of dialysis programs at the Medical School of the University of South Carolina and the Medical University of South Carolina, or their designees, are ex officio members of the council.

(2) Members shall serve four-year terms and until their successors are appointed and qualify. No member of council shall serve more than two consecutive terms. The council shall meet as frequently as the board director considers necessary, but not less than twice each year. Members shall serve without compensation.

O. Section 44-7-392 (B) and (C) of the S.C. Code is amended to read:

(B) The confidentiality provisions of subsection (A) do not prevent committees appointed by the Department of Public Health and Environmental Control from issuing reports containing solely nonidentifying data and information.

(C) Nothing in this section affects the duty of a hospital licensed by the Department of Public Health and Environmental Control to report accidents or incidents pursuant to the department’s regulations. However, anything reported pursuant to the department’s regulations must not be considered a waiver of any privilege or confidentiality provided in subsection (A).

P. Section 44-7-180 of the S.C. Code is repealed.

SECTION 12.A. Section 44-7-510(4) of the S.C. Code is amended to read:

(4) “Department” means the Department of Public Health and Environmental Control.

B. Section 44-7-570(D) of the S.C. Code is amended to read:

(D) The department shall promulgate regulations to implement the provisions of this article including any fees and application costs associated with the monitoring and oversight of cooperative agreements approved under this article. Prior to submission of these regulations, the department must receive approval from the Secretary of Health and Policy.

C. Section 44-7-1420 (2) and (4) of the S.C. Code is amended to read:

(2) Unless measures are adopted to alleviate such need, the shortage of such facilities will become increasingly more urgent and serious; and.

(4) It is the purpose of this article to empower the governing bodies of the several counties of the State under the terms and conditions of this article to finance the acquisition, enlargement, improvement, construction, equipping and providing of such hospital facilities to the end that the public health and welfare of the people of the State will be promoted at the least possible expense to those utilizing such hospital facilities so provided. In this connection, such governing bodies shall function under the guidance of the State Fiscal Accountability Authority of South Carolina and the Department of Public Health and Environmental Control and shall be vested with all powers necessary to enable them to accomplish the purposes of this article, which powers shall be in all respects exercised for the benefits of the inhabitants of the State and to promote the public health and welfare of its citizens.

D. Section 44-7-1440 of the S.C. Code before the numbered items is amended to read:

Section 44-7-1440. Subject to obtaining approvals from the Authority required by Section 44-7-1590 and from the Department of Public Health and Environmental Control, required by Section 44-7-1490, the several counties of the State functioning through their respective county boards shall be empowered:

E. Section 44-7-1490 of the S.C. Code is amended to read:

Section 44-7-1490. The county board shall not undertake the acquisition, construction, expansion, equipping or financing of any hospital facilities unless and until such approval of the Department of Public Health and Environmental Control for such undertaking as may be required under Article 3, Chapter 7, Title 44, shall have been obtained.

F. Section 44-7-1590 of the S.C. Code is amended to read:

Section 44-7-1590. (A) No bonds may be issued pursuant to the provisions of this article until the proposal of the county board to issue the bonds receives the approval of the authority. Whenever a county board proposes to issue bonds pursuant to the provisions of this article, it shall file its petition with the authority setting forth:

(1) a brief description of the hospital facilities proposed to be undertaken and the refinancing or refunding proposed;

(2) a statement setting forth the action taken by the Department of Public Health and Environmental Control in connection with the hospital facilities;

(3) a reasonable estimate of the cost of hospital facilities;

(4) a general summary of the terms and conditions of the proposed loan agreement; and

(5) such other information as the authority requires.

(B) Upon the filing of the petition the authority, as soon as practicable, shall conduct the review as it considers advisable, and if it finds that the proposal of the governing board is intended to promote the purposes of this article, it is authorized to approve the proposal. At any time following the approval, the county board may proceed with the issuance of the bonds in accordance with the proposal as approved by the authority. Notice of the approval of the proposal by the authority must be published at least once by the authority in a newspaper having general circulation in the county where the hospital facilities are or are to be located. The notice must set forth the action taken by the county board pursuant to Section 44-7-1480 and the action taken by the Department of Public Health and Environmental Control pursuant to Section 44-7-1490.

(C) Any interested party, within twenty days after the date of the publication of the notice, but not afterwards, may challenge the action so taken by the authority, the county board, or the Department of Public Health and Environmental Control, by action de novo in the court of common pleas in any county where the hospital facilities are to be located.

G. Section 44-7-1660(B) of the S.C. Code is amended to read:

(B) The county board may not enter into a subsidiary loan agreement to finance the acquisition, construction, expansion, equipping, or financing of any hospital facilities until approval of the agreement by the South Carolina Department of Public Health and Environmental Control as may be required under Article 3 of, Chapter 7 of, Title 44.

H. Section 44-7-1690 of the S.C. Code is amended to read:

Section 44-7-1690. Notice of the approval by a county board of any intergovernmental loan agreement or subsidiary loan agreement must be published at least once in a newspaper having general circulation in each county by the respective county board prior to the execution of such agreements. With respect to a subsidiary loan agreement, the notice must set forth the action taken by the county board and the South Carolina Department of Public Health and Environmental Control pursuant to Section 44-7-1660. The intergovernmental loan agreement and subsidiary loan agreement must be filed with the clerk of court of the authorizing issuer and the clerk of court of the project county prior to the issuance of the bonds authorized thereby.

Any interested party may, within twenty days after the date of the publication of the notice, challenge the action taken by the county board of the authorizing issuer or the project county in approving the intergovernmental loan agreement by action de novo in the court of common pleas of the project county or the authorizing issuer.

Any interested party may, within twenty days after the date of the publication of the notice, challenge the action taken by the county board in approving the subsidiary loan agreement or the Department of Public Health and Environmental Control with respect to the hospital facilities by action de novo in the court of common pleas in any county where the hospital facilities are to be located.

SECTION 13.A. Section 44-7-2420(1) of the S.C. Code is amended to read:

(1) “Department” means the Department of Public Health and Environmental Control.

B. Section 44-7-2430(C)(1) of the S.C. Code is amended to read:

(1) The Board of Health and Environmental Control Secretary of Health and Policy shall appoint an advisory committee that must have an equal number of members representing all involved parties. The board secretary shall seek recommendations for appointments to the advisory committee from organizations that represent the interests of hospitals, consumers, businesses, purchasers of health care services, physicians, and other professionals involved in the research and control of infections.

C. Section 44-7-2450(B) of the S.C. Code is amended to read:

(B) Nothing in this section affects the duty of a facility or activity licensed by the Department of Public Health and Environmental Control to report accidents or incidents pursuant to the department's regulations. However, anything reported pursuant to the department's regulations must not be considered to waive any privilege or confidentiality provided in subsection (A).

D. Section 44-7-2460(B) of the S.C. Code is amended to read:

(B) The department may promulgate regulations as necessary to carry out its responsibilities under this article. Prior to the submission of these regulations, the department must receive approval from the Secretary of Health and Policy.

SECTION 14.A. Section 44-7-2550 of the S.C. Code is amended to read:

Section 44-7-2550. The department shall promulgate regulations necessary to carry out the purposes of this article. Prior to the submission of these regulations, the department must receive approval from the Secretary of Health and Policy. Through regulation or interagency agreement when appropriate the department may develop standards addressing the coordination and provision of early intervention services, including personnel qualifications and health, safety, and program standards for the facilities where the services are offered.

B. Section 44-7-2910(B)(1)(e) of the S.C. Code is amended to read:

(e) a residential program operated or contracted for operation by the Department of Mental Health Behavioral Health and Substance Abuse Services or the Department of Intellectual and Related Disabilities and Special Needs;

C. Section 44-7-2940 of the S.C. Code is amended to read:

Section 44-7-2940. The Department of Public Health and Environmental Control shall verify that a direct care entity is conducting criminal record checks as required in this article before the department issues a renewal license for the direct care entity. The department shall act as the channeling agency for any federal criminal record checks required by this article.

D. Section 44-7-3430 of the S.C. Code is amended to read:

Section 44-7-3430. All clinical staff, clinical trainees, medical students, interns, and resident physicians of a hospital shall wear badges clearly stating their names, using at a minimum either first or last names with appropriate initials, their departments, and their job or trainee titles. All clinical trainees, medical students, interns, and resident physicians must be explicitly identified as such on their badges. This information must be clearly visible and must be stated in terms or abbreviations reasonably understandable to the average person, as recognized by the Department of Public Health and Environmental Control.

E. Sections 44-7-3455 through 44-7-3460 of the S.C. Code are amended to read:

Section 44-7-3455. The provisions of this article do not apply to hospitals owned or operated by the Department of Mental Health Behavioral Health and Substance Abuse Services or by specialized hospitals licensed exclusively for treatment of alcohol or drug abuse and which are under contract with the Department of Alcohol and Other Drug Abuse Services Behavioral Health and Substance Abuse Services.

Section 44-7-3460. The Department of Public Health and Environmental Control shall administer and enforce the provisions of this article in accordance with procedures and penalties provided in law and regulation.

SECTION 15.A. Chapter 9, Title 44 of the S.C. Code is amended to read:

CHAPTER 9

State Department of Mental Health Department of Behavioral Health and Substance Abuse Services

Section 44-9-10. There is hereby created the State Department of Mental Health Department of Behavioral Health and Substance Abuse Services which shall have jurisdiction over all of the State's mental hospitals, clinics and centers, joint State and community sponsored mental health clinics and centers and facilities for the treatment and care of alcohol and drug addicts, including the authority to name each facility. The department shall be vested with all the functions, powers, and duties of the South Carolina Commission on Alcoholism and the South Carolina Commission on Alcohol and Drug Abuse and shall have full authority for formulating, coordinating and administering the state plans for controlling narcotics and controlled substances and alcohol abuse. The Department of Behavioral Health and Substance Abuse Services shall promote comprehensive, client-centered services in the areas of mental health and substance use treatment in furtherance of the goals of the State Health Plan.

Section 44-9-20. All the powers and duties vested in the South Carolina Mental Health Commission immediately prior to March 26, 1964 are hereby transferred to and vested in the Department of Mental Health Behavioral Health and Substance Abuse Services. All records, files and other papers belonging to the South Carolina Mental Health Commission shall be continued as part of the records and files of the Department of Mental Health Behavioral Health and Substance Abuse Services.

Section 44-9-30. (A)(1) There is created the governing board advisory board for the State Department of Mental Health Department of Behavioral Health and Substance Abuse Services known as the South Carolina Mental Health Commission Behavioral Health and Substance Abuse Services Advisory Board. The commission advisory board shall consist of seven members, one from each congressional district, appointed by the Governor, upon the advice and consent of the Senate Secretary of Health and Policy.

(2) The Governor Secretary of Health and Policy shall consider consumer and family representation when appointing members.

(B) The members serve for terms of five years and until their successors are appointed and qualify. The terms of no more than two members may expire in one year. The Governor Secretary of Health and Policy may remove a member pursuant to the provisions of Section 1-3-240 when the Secretary determines removal is in the best interest of the State. A vacancy must be filled by the Governor Secretary of Health and Policy for the unexpired portion of the term.

(C) The commission shall determine policies and promulgate regulations governing the operation of the department and the employment of professional and staff personnel.

(D)(C) The members shall receive the same subsistence, mileage, and per diem provided by law for members of state boards, committees, and commissions.

Section 44-9-40. The Mental Health Commission shall appoint and remove a State Director of Mental Health, who is the chief executive of the State Department of Mental Health. Subject to the supervision and control of the Mental Health Commission, the state director shall administer the policies and regulations established by the commission. The Secretary of Health and Policy shall appoint, and may remove at will, a Director of Behavioral Health and Substance Abuse Services, who is the chief executive of the Department of Behavioral Health and Substance Abuse Services. The director must be a person of proven executive and administrative ability with appropriate education and substantial experience in the field of mental illness treatment delivery of behavioral health services, including addiction services. The director must appoint and remove all other officers and employees of the Department of Mental Health, subject to the approval of the Mental Health Commission. Department employees shall have such general duties and receive such compensation as determined by the director, within the authority given by the Secretary. The director shall be responsible for administration of state personnel policies and general personnel policies of the Executive Office of Health and Policy. The director shall have sole authority to employ and discharge employees subject to such personnel policies and funding available for that purpose.

Section 44-9-50. (A) The Department of Mental Health Behavioral Health and Substance Abuse Services may be divided into such divisions as may be authorized by the director of Mental Health and approved by the commission Director of Behavioral Health and Substance Abuse Services. One of the divisions must be a Division on Alcohol and Drug Addiction which shall have primary responsibility in the State for treatment of alcohol and drug addicts. One of the divisions must be a Division for Long Term Care which shall have primary responsibility for care and treatment of elderly persons with mental and physical disabilities to the extent that their needs are not met in other facilities either public or private.

(B) The department shall appoint a supervisor of adult education for the prevention of alcoholism, who shall be responsible for activating and implementing an adequate alcoholic education program for the citizens of this State above high school age. The program shall be designed to prevent or reduce alcoholism in this State and to create a recognition and understanding of the problem. The department shall furnish the supervisor of adult education for the prevention of alcoholism adequate ways and means to accomplish an effective educational program for the prevention of alcoholism in this State.

In carrying out the provisions of this section, the department and the supervisor of adult education for the prevention of alcoholism may consult and work in conjunction with groups such as Alcoholics Anonymous, the Yale Center of Alcohol Studies of Yale University, the Research Council on Problems of Alcohol of the American Association for the Advancement of Science, the South Carolina Medical Association, the Christian Action Council, the Committee on Alcoholism of the South Carolina Conference of Social Work and other groups or agencies that are able to assist in the study, prevention, treatment and rehabilitation of alcoholics and in a scientific educational program on the problems of alcohol.

(C) The department shall establish a program to provide alcohol and drug abuse intervention, prevention, and treatment services for the public schools of the State. The department shall provide staff and support necessary to administer the program. Funds for this program must be annually appropriated by the General Assembly from the Education Improvement Act of 1984 Fund as it determines appropriate. The appropriated funds must be forwarded to the Department of Behavioral Health and Substance Abuse Services from the Education Improvement Act of 1984 Fund in the manner the State Treasurer shall direct.

Section 44-9-60. The director of the Department of Mental Health Behavioral Health and Substance Abuse Services may appoint a director of each hospital. Each director must be knowledgeable in the treatment of the mentally ill and in hospital administration. The director of each hospital under the jurisdiction of the Department of Mental Health Behavioral Health and Substance Abuse Services is responsible for the employment of all personnel at the hospital, subject to the approval of the director of the department. The director of the department may serve as director of one or more hospitals or other mental health facilities.

Section 44-9-70. The State Department of Mental Health Behavioral Health and Substance Abuse Services is hereby designated as the state's mental behavioral health authority for purposes of administering federal funds allotted to South Carolina under the provisions of the National Mental Health Act, as amended. The State Department of Mental Health Behavioral Health and Substance Abuse Services is further designated as the state agency authorized to administer minimum standards and requirements for mental health clinics as conditions for participation in federal-state grants-in-aid under the provisions of the National Mental Health Act, as amended, and is authorized to promote and develop community mental health outpatient clinics. Provided, that nothing in this article shall be construed to prohibit the operation of outpatient mental health clinics by the South Carolina Medical College Hospital Medical University of South Carolina in Charleston. Provided, further, that nothing herein shall be construed to include any of the functions or responsibilities now granted the Department of Public Health and Environmental Control, or the administration of the State Hospital Construction Act (Hill-Burton Act), as provided in the 1976 S.C. Code of Laws and amendments thereto.

Section 44-9-80. Payments made to a mental health facility which are derived in whole or in part from Federal funds which become available after June 30, 1967, and which are provided with the stipulation that they be used to improve services to patients shall not be considered fees from paying patients under the terms of Act No. 1100 of 1964 but may be utilized by the State Department of Mental Health Behavioral Health and Substance Abuse Services to improve South Carolina's comprehensive mental health program.

Section 44-9-90. The commission Department of Behavioral Health and Substance Abuse Services shall:

(1) form a body corporate in deed and in law with all the powers incident to corporations;

(2)(1) cooperate with persons in charge of penal institutions in this State for the purpose of providing proper care and treatment for mental patients confined in penal institutions because of emergency;

(3)(2) inaugurate and maintain an appropriate mental health education and public relations program;

(4)(3) collect statistics bearing on mental illness, drug addiction, and alcoholism;

(5)(4) provide vocational training and medical treatment which must tend to the mental and physical betterment of patients and which is designed to lessen the increase of mental illness, drug addiction, and alcoholism;

(6)(5) encourage the directors of hospitals and their medical staffs in the investigation and study of these subjects and of mental health treatment in general; and

(7)(6) provide for and promote a statewide system for the delivery of mental health services to treat, care for, reduce, and prevent mental illness and provide mental health services for citizens of this State, whether or not in a hospital. The system must include services to prevent or postpone the commitment or recommitment of citizens to hospitals and shall account for citizens with mild to moderate persistent, chronic, or acute systems requiring care;

(7) coordinate with state agencies and other providers to ensure the appropriate provision of care for individuals with co-occurring diagnoses. The department shall coordinate and cooperate with the Secretary of Health and Policy in complex cases;

(8) perform all functions, powers, and duties of the commissioner of the narcotics and controlled substances section of the State Planning and Grants Division (Division of Administration in the Office of the Governor) previously transferred to the Department of Alcohol and Other Drug Abuse Services, except those powers and duties related to the traffic of narcotics and controlled substances as defined in Section 44-53-130 which shall be vested in the State Law Enforcement Division;

(9) establish a block grant mechanism to provide such monies as may be appropriated by the General Assembly for this purpose to each of the agencies designated under Section 61-12-20(a). The agencies designated under Section 61-12-20(a) must expend any funds received through this mechanism in accordance with the county plans required under Section 61-12-20(b); and

(10) determine policies and promulgate regulations governing the operation of the department and the employment of professional and staff personnel. Prior to the submission of these regulations, the department must receive approval from the Secretary of Health and Policy.

Section 44-9-100. The commission department may:

(1) prescribe the form of and information to be contained in applications, records, reports, and medical certificates provided for under this chapter, Chapter 11, Chapter 13, Article 1 of Chapter 15, Chapter 17, Chapter 22, Chapter 23, Chapter 24, Chapter 27, Chapter 48, and Chapter 52;

(2) require reports from the director of a state hospital relating to the admission, examination, diagnosis, discharge, or conditional discharge of a patient;

(3) investigate complaints made by a patient or by a person on behalf of a patient;

(4) adopt regulations not inconsistent with this chapter, Chapter 11, Chapter 13, Article 1 of Chapter 15, Chapter 17, Chapter 22, Chapter 23, Chapter 24, Chapter 27, Chapter 48, and Chapter 52 as it may find to be reasonably necessary for the government of all institutions over which it has authority and of state mental health facilities and the proper and efficient treatment of persons with a mental illness or substance abuse disorder. Prior to the submission of these regulations, the department must receive approval from the Secretary of Health and Policy;

(5) take appropriate action to initiate and develop relationships and agreements with state, local, federal, and private agencies, hospitals, and clinics as the commission considers necessary to increase and enhance the accessibility and delivery of emergency and all other types of mental health and substance abuse services; and

(6) develop such rules and regulations not inconsistent with the provisions of this chapter as it may find to be reasonably appropriate for the government of the county plans called for in Section 61-12-20(b), and the financial and programmatic accountability of funds provided under this section and all other funds provided by the department to agencies designated under Section 61-12-20(a).

Section 44-9-110. The Mental Health Commission may accept on behalf of the Department of Mental Health or any of its facilities or services, The Department of Behavioral Health and Substance Abuse Services may accept gifts, bequests, devises, grants, donations of money or real and personal property of whatever kind, but no such gift or grant shall be accepted upon the condition that it shall diminish an obligation due the department. The Commission department may refuse to accept any such gift or grant and the acceptance of any such gift or grant shall not incur any obligation on the part of the State. Any gift or grant given to a specific facility or service shall be used for that facility or service only, or to its successor. The Commission department may promulgate rules and regulations governing the disposition of such gifts and grants. Prior to submission of these regulations, the department must receive approval from the Secretary of Health and Policy.

Section 44-9-120. The Commission department shall submit an annual report to the Governor Secretary of Health and Policy before the eleventh day of January of each year setting forth its activities, the financial affairs and the state and condition of the state mental health facilities and any other statistical information which is usually required of facilities of the type over which it has charge. The report shall include any recommendations which in the opinion of the Commission department will improve the mental behavioral health program of the State. A copy of the report shall also be submitted to the General Assembly.

Section 44-9-160. Wherever in the 1976 S.C. Code reference is made to the State Hospital, it shall mean a state hospital; wherever reference is made requiring the signature of the superintendent of any mental health facility, it shall mean the superintendent or his designee; and wherever reference is made to the State Commissioner of Mental Health, it shall mean the State Director of the Department of Mental Health Behavioral Health and Substance Abuse Services.

B. Chapter 9, Title 44 of the S.C. Code is amended by adding:

Section 44-9-95. (A) The department shall be vested with the following powers and duties relating to narcotics and controlled substances:

(1) The department shall arrange for the exchange of information between governmental officials concerning the use and abuse of controlled substances.

(2) Results, information, and evidence received from the Department of Public Health relating to the regulatory functions of this chapter and Article 3, Chapter 53, Title 44, including results of inspections conducted by such department, may be relied upon and acted upon by the department in conformance with its administration and coordinating duties under this chapter and Article 3, Chapter 53, Title 44.

(3) The department shall:

(a) plan, coordinate and cooperate in educational programs for schools, communities, and the general public designed to prevent and deter misuse and abuse of controlled substances;

(b) promote better recognition of the problems of misuse and abuse of controlled substances within the regulated industry and among interested groups and organizations;

(c) assist the regulated industry, interested groups, and organizations in contributing to the reduction of misuse and abuse of controlled substances;

(d) consult with interested groups and organizations to aid them in solving administrative and organizational problems;

(e) evaluate procedures, projects, techniques, and controls conducted or proposed as part of educational programs on misuse and abuse of controlled substances;

(f) disseminate the results of research on misuse and abuse of controlled substances to promote a better public understanding of what problems exist and what can be done to combat them;

(g) assist in the education and training of state and local law enforcement officials in their efforts to control misuse and abuse of controlled substances;

(h) encourage research on misuse and abuse of controlled substances;

(i) cooperate in establishing methods to assess accurately the effects of controlled substances and to identify and characterize controlled substances with potential for abuse; and

(j) cooperate in making studies and in undertaking programs of research to:

(i) develop new or improved approaches, techniques, systems, equipment, and devices to strengthen the enforcement of this section, Sections 44-9-10 and 44-9-90, and Article 3, Chapter 53, Title 44;

(ii) determine patterns of misuse and abuse of controlled substances and the social effects thereof; and

(iii) improve methods for preventing, predicting, understanding and dealing with the misuse and abuse of controlled substances.

(B) The department may enter into contracts with public agencies, institutions of higher education, and private organizations or individuals for the purpose of conducting research, demonstrations, or special projects which bear directly on misuse and abuse of controlled substances.

(C) The department may enter into contracts for educational and research activities without performance bonds.

(D) The department is authorized to accept gifts, bequests, devises, contributions, and grants, public or private, including federal funds, or funds from any other source for use in furthering the purpose of the department. The department is authorized to administer the grants and contracts arising from the federal program entitled the Drug Free Schools and Communities Act of 1986, P.L. 99-570.

C. Chapter 9, Title 44 of the S.C. Code is amended by adding:

Section 44-9-105. (A) The department shall develop and initiate negotiation of the service contracts through which it provides funds to service providers to accomplish the purposes set forth in this chapter. The department may, notwithstanding any provision of law to the contrary, disburse state and federal funds appropriated to it for substance abuse services directly to the service provider.

(B) The service contract shall:

(1) delineate the responsibilities of the department and the service provider;

(2) specify conditions that must be met for the receipt of state and federal funds;

(3) identify the groups of individuals to be served with state and federal funds;

(4) contain specific outcome measures for individuals receiving services, provider performance measures, satisfaction measures for individuals receiving services, and participation and involvement measures for individuals receiving services and their family members;

(5) contain provisions that enable the department to enforce the service contract in the event that the service provider fails to substantially comply with the requirements of its service contract, which shall include:

(a) provisions to ensure that the service provider is notified when it fails to substantially comply with the requirements of its service contract;

(b) a remediation process to allow the service provider, after failing to substantially comply with its service contract, to come into substantial compliance with its service contract;

(c) provisions for withholding or reducing funds, repayment of funds, or termination of all or part of a service contract in accordance with the provisions of subsection (E) in the event that the service provider fails to come into substantial compliance with the provisions of its service contract despite utilization of the remediation process described in subsection (B); and

(d) provisions for appeal of an enforcement action undertaken by the department; and

(6) include requirements for the service provider to report specific information about (i) its revenues, costs, and services; (ii) individuals served; and (iii) any other information deemed necessary by the department, which shall be displayed in a consistent, comparable format developed by the department.

(D) The department shall develop and implement a process for regular, ongoing monitoring of the performance of service providers to ensure compliance with the requirements of service contracts entered into pursuant to this section.

(E) If a service provider fails to comply with the requirements of its service contract, the department shall utilize the remediation process described in the service contract to allow the service provider to come into compliance. The department shall notify the service provider upon initiation of the remediation process and provide regular updates regarding the service provider’s progress toward coming into compliance.

If a service provider fails to come into compliance after utilization of the remediation process, the department shall, after affording the service provider an adequate opportunity to use the appeal process described in the service contract, terminate all or a portion of the service contract.

(F) Upon terminating all or a portion of a service contract pursuant to subsection (E), the department may, negotiate a performance contract with another service provider to obtain services that were the subject of the terminated performance contract.

(G) No service provider shall be eligible to receive state or federal funds for substance abuse services, unless (i) its performance contract has been approved or renewed by the department; (ii) it provides service, cost, and revenue data and information, and aggregate and individual data and information about individuals receiving services to the department in the format prescribed by the department; (iii) it uses standardized cost accounting and financial management practices approved by the department; and (iv) the service provider is in compliance with its service contract or is making progress to become compliant through the department’s remediation process.

SECTION 16.A. Sections 44-20-10 through 44-20-440 of the S.C. Code are amended to read:

Section 44-20-10. This chapter may be cited as the “South Carolina Intellectual Disability, Related Disabilities, Head Injuries, and Spinal Cord Injuries Act” “South Carolina Intellectual and Related Disabilities Act”.

Section 44-20-20. The State of South Carolina recognizes that a person with intellectual disability, a related disability, head injury, or spinal cord injury, or autism is a person who experiences the benefits of family, education, employment, and community as do all citizens. It is the purpose of this chapter to assist persons with intellectual disability, related disabilities, head injuries, or spinal cord injuries, or autism by providing services to enable them to participate as valued members of their communities to the maximum extent practical and to live with their families or in family settings in the community in the least restrictive environment available.

When persons with intellectual disability, related disabilities, head injuries, or spinal cord injuries, or autism cannot live in communities or with their families, the State shall provide quality care and treatment in the least restrictive environment practical.

In order to plan and coordinate state and locally funded services for persons with intellectual disability, related disabilities, head injuries, or spinal cord injuries, or autism, a statewide network of local boards of disabilities and special needs county intellectual and related disabilities boards is established. Services will be delivered to clients in their homes or communities through these boards and other local providers.

It is recognized that persons with intellectual disability, related disabilities, head injuries, or spinal cord injuries, or autism have the right to receive services from public and other agencies that provide services to South Carolina citizens and to have those services coordinated with the services needed because of their disabilities.

South Carolina recognizes the value of preventing intellectual disability, related disabilities, head injuries, and spinal cord injuries, and autism through education and research and supports efforts to this end.

The State recognizes the importance of the role of parents and families in shaping services for persons with intellectual disability, related disabilities, head injuries, or spinal cord injuries, or autism as well as the importance of providing services to families to enable them to care for a family member with these disabilities.

Admission to services of the South Carolina Department of Intellectual and Related Disabilities and Special Needs does not terminate or reduce the rights and responsibilities of parents. Parental involvement and participation in mutual planning with the department to meet the needs of the client facilitates decisions and treatment plans that serve the best interest and welfare of the client.

Section 44-20-30. As used in this chapter:

(1) “Applicant” means a person who is believed to have intellectual disability, one or more related disabilities, one or more head injuries, one or more spinal cord injuries, or an infant at high risk of a developmental disability who has applied for services of the South Carolina Department of Disabilities and Special Needs.

(2) “Client” is a person who is determined by the Department of Disabilities and Special Needs to have intellectual disability, a related disability, head injury, or spinal cord injury and is receiving services or is an infant at risk of having a developmental disability and is receiving services.

(3) “Commission” means the South Carolina Commission on Disabilities and Special Needs, the policy-making and governing body of the Department of Disabilities and Special Needs.

(4) “County disabilities and special needs boards” means the local public body administering, planning, coordinating, or providing services within a county or combination of counties for persons with intellectual disability, related disabilities, head injuries, or spinal cord injuries and recognized by the department.

(5) “Day programs” are programs provided to persons with intellectual disability, related disabilities, head injuries, or spinal cord injuries outside of their residences affording development, training, employment, or recreational opportunities as prescribed by the Department of Disabilities and Special Needs.

(6) “Department” means the South Carolina Department of Disabilities and Special Needs.

(7) “Director” means the South Carolina Director of the Department of Disabilities and Special Needs, the chief executive director appointed by the commission.

(8) “Disabilities and special needs services” are activities designed to achieve the results specified in an individual client's plan.

(9) “High risk infant” means a child less than thirty-six months of age whose genetic, medical, or environmental history is predictive of a substantially greater risk for a developmental disability than that for the general population.

(10) “Least restrictive environment” means the surrounding circumstances that provide as little intrusion and disruption from the normal pattern of living as possible.

(11) “Improvements” means the construction, reconstruction of buildings, and other permanent improvements for regional centers and other programs provided by the department directly or through contract with county boards of disabilities and special needs, including equipment and the cost of acquiring and improving lands for equipment.

(12) “Intellectual disability” means significantly subaverage general intellectual functioning existing concurrently with deficits in adaptive behavior and manifested during the developmental period.

(13) “Obligations” means the obligations in the form of notes or bonds or contractual agreements issued or entered into by the commission pursuant to the authorization of this chapter and of Act 1377 of 1968 to provide funds with which to repay the proceeds of capital improvement bonds allocated by the State Fiscal Accountability Authority.

(14) “Regional residential center” is a twenty-four hour residential facility serving a multicounty area and designated by the department.

(15) “Related disability” is a severe, chronic condition found to be closely related to intellectual disability or to require treatment similar to that required for persons with intellectual disability and must meet the following conditions:

(a) It is attributable to cerebral palsy, epilepsy, autism, or any other condition other than mental illness found to be closely related to intellectual disability because this condition results in impairment of general intellectual functioning or adaptive behavior similar to that of persons with intellectual disability and requires treatment or services similar to those required for these persons.

(b) It is manifested before twenty-two years of age.

(c) It is likely to continue indefinitely.

(d) It results in substantial functional limitations in three or more of the following areas of major life activity: self-care, understanding and use of language, learning, mobility, self-direction, and capacity for independent living.

(16) “Residential programs” are services providing dwelling places to clients for an extended period of time with assistance for activities of daily living ranging from constant to intermittent supervision as required by the individual client's needs.

(17) “Revenues” or “its revenues” means revenue derived from paying clients at regional residential centers and community residences but does not include Medicaid, Medicare, or other federal funds received with the stipulation that they be used to provide services to clients.

(18) “State capital improvement bonds” means bonds issued pursuant to Act 1377 of 1968.

(19) “Department” shall mean the State Department of Administration as constituted pursuant to Chapter 11, Title 1.

(1) “Advisory board” means the South Carolina Advisory Board of Intellectual and Related Disabilities, the policy-making body of the Department of Intellectual and Related Disabilities.

(2) “Applicant” means a person who is believed to have intellectual disability, one or more related disabilities, one or more head injuries, one or more spinal cord injuries, autism, or an infant at high risk of a developmental disability who has applied for services of the South Carolina Department of Intellectual and Related Disabilities.

(3) “Autism” means autism spectrum disorder as defined in the most recent edition of Diagnostic and Statistical Manual of Mental Disorders.

(4) “Client” means a person who is determined by the Department of Intellectual and Related Disabilities to have intellectual disability, a related disability, head injury, spinal cord injury, or autism and is receiving services or is an infant at risk of having a developmental disability and is receiving services.

(5) “County intellectual and related disabilities boards” or “county boards” means the local public body administering, planning, coordinating, or providing services within a county or combination of counties for persons with intellectual disability, related disabilities, head injuries, spinal cord injuries, or autism and recognized by the department.

(6) “Day programs” means programs provided to persons with intellectual disability, related disabilities, head injuries, spinal cord injuries, or autism outside of their residences affording development, training, employment, or recreational opportunities as prescribed by the Department of Intellectual and Related Disabilities.

(7) “Department” means the Department of Intellectual and Related Disabilities.

(8) “Director” means the Director of the Department of Intellectual and Related Disabilities, the chief executive director appointed by the Secretary of Health and Policy.

(9) “High risk infant” means a child less than thirty-six months of age whose genetic, medical, or environmental history is predictive of a substantially greater risk for a developmental disability than that for the general population.

(10) “Improvements” means the construction, reconstruction of buildings, and other permanent improvements for regional centers and other programs provided by the department directly or through contract with county intellectual and related disabilities boards, including equipment and the cost of acquiring and improving lands for equipment.

(11) “Intellectual and related disabilities services” means activities designed to achieve the results specified in the individual client’s plan.

(12) “Intellectual disability” means significantly subaverage general intellectual functioning existing concurrently with deficits in adaptive behavior and manifested during the developmental period.

(13) “Least restrictive environment” means the surrounding circumstances that provide as little intrusion and disruption from the normal pattern of living as possible.

(14) “Obligations” means the obligations in the form of notes or bonds or contractual agreements issued or entered into by the department pursuant to the authorization of this chapter and of Act 1377 of 1968 to provide funds with which to repay the proceeds of capital improvement bonds allocated by the State Fiscal Accountability Authority.

(15) “Regional residential center” means a twenty-four-hour residential facility serving a multicounty area and designated by the department.

(16) “Related disability” means a severe, chronic condition found to be closely related to intellectual disability or to require treatment similar to that required for persons with intellectual disability and must meet the following conditions:

(a) It is attributable to cerebral palsy, epilepsy, autism, or any other condition other than mental illness found to be closely related to intellectual disability because this condition results in impairment of general intellectual functioning or adaptive behavior similar to that of persons with intellectual disability and requires treatment or services similar to those required for these persons.

(b) It is manifested before twenty-two years of age.

(c) It is likely to continue indefinitely.

(d) It results in substantial functional limitations in three or more of the following areas of major life activity: self-care, understanding and use of language, learning, mobility, self-direction, and capacity for independent living.

(17) “Residential programs” means services providing dwelling places to clients for an extended period of time with assistance for activities of daily living ranging from constant to intermittent supervision as required by the individual client's needs.

(18) “Revenues” or “its revenues” means revenue derived from paying clients at regional residential centers and community residences but does not include Medicaid, Medicare, or other federal funds received with the stipulation that they be used to provide services to clients.

(19) “Secretary” means the Secretary of Health and Policy.

(20) “State capital improvement bonds” means bonds issued pursuant to Act 1377 of 1968.

(21) “State Health Plan” means the state plan for health developed by the Secretary of Health and Policy.

Section 44-20-210. There is created the South Carolina Commission on Disabilities and Special Needs. The commission consists of seven members. One member must be a resident of each congressional district appointed by the Governor upon the advice and consent of the Senate. There is created the South Carolina Advisory Board of Intellectual and Related Disabilities. The advisory board consists of seven members appointed by the Secretary of Health and Policy. They shall serve for four years and until their successors are appointed and qualify. Members of the commission advisory board are subject to removal by the Governor pursuant to the provisions of Section 1-3-240 Secretary pursuant to the provisions of Section 44-12-50(B)(1). A vacancy may be filled by the Governor Secretary for the unexpired portion of the term.

Section 44-20-220. The commission shall determine the policy and promulgate regulations governing the operation of the department and the employment of professional staff and personnel. The members of the commission shall receive subsistence, mileage, and per diem as may be provided by law for members of state boards, committees, and commissions. The commission shall appoint and in its discretion remove a South Carolina Director of Disabilities and Special Needs who is the chief executive officer of the department. The commission may appoint advisory committees it considers necessary to assist in the effective conduct of its responsibilities. The commission may educate the public and state and local officials as to the need for the funding, development, and coordination of services for persons with intellectual disability, related disabilities, head injuries, and spinal cord injuries and promote the best interest of persons with intellectual disability, related disabilities, head injuries, and spinal cord injuries. The commission is authorized to promulgate regulations to carry out the provisions of this chapter and other laws related to intellectual disability, related disabilities, head injuries, or spinal cord injuries. In promulgating these regulations, the commission must consult with the advisory committee of the division for which the regulations shall apply. The advisory board shall advise the department on the policy and issues affecting the clients of the department. The members of the advisory board shall receive subsistence, mileage, and per diem as may be provided by law for members of state boards, committees, and commissions. The advisory board may appoint advisory committees it considers necessary to assist in the effective conduct of its responsibilities. The advisory board shall submit a written annual report to the director of any policy recommendations.

Section 44-20-230. Subject to the supervision, direction, and control of the commission, the director shall administer the policies and regulations established by the commission. The director may appoint and in his discretion remove all other officers and employees of the department subject to the approval of the commission. The department shall be headed by a director appointed by the Secretary. The director is subject to removal by the Secretary pursuant to the provisions of Section 44-12-50(B)(1). The director shall administer the policies and regulations of the department. Department employees have such general duties and receive such compensation as determined by the director, within the authority given by the Secretary. The director shall be responsible for the administration of state personnel policies and general personnel policies of the Secretary of Health and Policy. The director shall have the sole authority to employ and discharge employees subject to the personnel policies and funding available for that purpose.

Section 44-20-240. There is created the South Carolina Department of Disabilities and Special Needs Department of Intellectual and Related Disabilities, which has authority over all of the state's services and programs for the treatment and training of persons with intellectual disability, related disabilities, head injuries, and spinal cord injuries, and autism. This authority does not include services delivered by other agencies of the State as prescribed by statute, unless the services are delivered pursuant to the State Health Plan enacted by the Secretary of Health and Policy. The department is authorized to promulgate regulations governing the operation of the department and to carry out the provisions of this chapter and other laws related to intellectual disability, related disabilities, head injuries, spinal cord injuries, and autism. Prior to the submission of these regulations, the department must receive approval from the Secretary of Health and Policy. The department must be comprised of an Intellectual Disability Division, an Autism Division, and a Head and Spinal Cord Injuries Division. The department may be divided into additional divisions as may be determined by the director and approved and named by the commission. Responsibility for all autistic services is transferred from the Department of Mental Health to the Department of Disabilities and Special Needs.

Section 44-20-250. The department shall coordinate services and programs with other state and local agencies for persons with intellectual disability, related disabilities, head injuries, and spinal cord injuries, and autism in accordance with the State Health Plan. The department may negotiate and contract with local agencies, county boards of disabilities and special needs intellectual and related disabilities boards, private organizations, and foundations in order to implement the planning and development of a full range of services and programs for persons with intellectual disability, related disabilities, head injuries, and spinal cord injuries, and autism, subject to law and the availability of fiscal resources. The department has the same right to be reimbursed for expenses in providing intellectual and related disabilities and special needs services through a contractual arrangement as it has to be reimbursed for expenses provided through direct departmental services. The department shall develop service standards for programs of the department and for programs for which the department may contract and shall review and evaluate these programs on a periodic basis. The department shall regularly provide to the Secretary a reporting on operation of the county intellectual and related disabilities boards to include information reported by the county boards to the department as required in Section 44-20-385.

Section 44-20-255. (A) Upon execution of the deed as provided in subsection (B) of this section, ownership of the tract of real property in Richland County described in Section 1 of Act 1645 of 1972 is confirmed in the Department of Intellectual and Related Disabilities as the successor agency to the South Carolina Department of Disabilities and Special Needs as, the successor agency to the South Carolina Department of Mental Retardation.

(B) The State Department of Administration shall cause to be executed and recorded an appropriate deed conveying the tract to the South Carolina Department of Disabilities and Special Needs Department of Intellectual and Related Disabilities.

(C) Proceeds of a subsequent sale of the tract that is the subject of this section may be retained by the South Carolina Department of Disabilities and Special Needs Department of Intellectual and Related Disabilities.

Section 44-20-260. The department, with funds available for these purposes, may conduct research to determine the causes, proper treatment, and diagnosis of intellectual disability, related disabilities, head injuries, and spinal cord injuries, and autism and may use facilities and personnel under its control and management for carrying out the research so long as the rights of the client are preserved and prior consent is obtained pursuant to Section 44-26-180.

Section 44-20-270. The department is designated as the state's intellectual disability, related disabilities, head injuries, and spinal cord injuries, and autism authority for the purpose of administering federal funds allocated to South Carolina for intellectual disability programs, related disability programs, head injury programs, and spinal cord injury programs, and autism programs. This authority does not include the functions and responsibilities granted to the South Carolina Department of Public Health and Environmental Control or to the South Carolina Department of Vocational Rehabilitation or the administration of the “State Hospital Construction and Franchising Act”.

Section 44-20-280. The department may negotiate and contract with an agency of the United States or a state or private agency to obtain grants to assist in the expansion and improvement of services to persons with intellectual disability, related disabilities, head injuries, or spinal cord injuries, or autism and may expend the grants under the terms and conditions of the award.

Section 44-20-290. The director or his designee may employ at regional centers security guards who are vested and charged with the powers and the duties of peace officers. They may arrest felons and misdemeanants, eject trespassers, and, without warrant, arrest persons for disorderly conduct who are trespassers on the grounds of the regional center and have them tried in a court of competent jurisdiction. Officers so employed must be bonded and under the direct supervision of the South Carolina Law Enforcement Division and shall report directly to the director or his designee.

Section 44-20-300. The department may acquire motor vehicle liability insurance for employees operating department vehicles or private vehicles in connection with their official departmental duties to protect against liability.

Section 44-20-310. The department may sell timber from its forest lands with the proceeds from the sales to be deposited in the general fund of the State. Before a sale, the Department of Administration shall consult with the State Forester to determine the economic feasibility of the sale, and a sale must not be made without the approval of the department.

Section 44-20-320. The department or any of its programs may accept gifts, bequests, devises, grants, and donations of money, real property, and personal property for use in expanding and improving services to persons with intellectual disability, related disabilities, head injuries, and spinal cord injuries, and autism available to the people of this State. However, nothing may be accepted by the department with the understanding that it diminishes an obligation for paying care and maintenance charges or other monies due the department for services rendered. The commission department may formulate policies and promulgate regulations governing the disposition of gifts, bequests, devises, grants, and donations. If they are given to a specific service program of the department they must remain and be used for that program only or to its successor program.

Section 44-20-330. The department may grant easements, permits, or rights-of-way on terms and conditions it considers to be in the best interest of the State, across, over, or under land held by the department for the construction of water, sewer, drainage, natural gas, telephone, telegraph, and electric power lines.

Section 44-20-340. (A) A person, hospital, or other organization may provide information, interviews, reports, statements, written memoranda, documents, or other data related to the condition and treatment of a client or applicant to the department, and no liability for damages or other relief arises against the person, hospital, or organization for providing the information or material.

(B) All records pertaining to the identity of a person whose condition or treatment has been studied by the department are confidential and privileged information. However, upon the written request of the client, the client's or applicant's parent with legal custody, legal guardian, or spouse with the written permission of the client or applicant or under subpoena by a court of law, the department may furnish pertinent records in its possession to appropriate parties.

Section 44-20-350. (A) Reasonable reimbursement to the State for its fiscal outlay on behalf of services rendered by the department or any other agency authorized by the department to offer services to clients is a just obligation of the person with intellectual disability, a related disability, head injury, or spinal cord injury, or autism, his estate, or his parent or guardian under the conditions and terms provided in this section.

(B) The department or an agency authorized by the department to offer services to clients may charge for its services. However, no service may be denied a client or his parent or guardian because of inability to pay part or all of the department's or other agency's expenses in providing that service. Where federal reimbursement is authorized for services provided, the department initially shall seek federal reimbursement. No charge or combination of charges may exceed the actual cost of services rendered. The commission department shall approve the procedures established to determine ability to pay and may authorize its designees to reduce or waive charges based upon its findings.

(C) Parents, guardians, or other responsible relatives must not be charged for regional center or community residential services provided by the department for their child or ward. However, a person receiving nonresidential services or his parent or guardian may be assessed a charge for services received, not to exceed cost. The department with the approval of the commission may determine for which services it charges.

(D) The department shall establish a hearing and review procedure so that a client or his parent or guardian may appeal charges made for services or may present to officials of the department information or evidence to be considered in establishing charges. The department may utilize legal procedures to collect lawful claims.

(E) The department may establish by regulation charges for other services it renders.

Section 44-20-355. The department shall assess and collect a fee on all Intermediate Care Facilities for the persons with intellectual disability, as defined in Section 44-7-130(19). Providers holding licenses on these facilities shall pay to the department a fee equal to eight dollars and fifty cents a patient day in these facilities. The department shall pay all proceeds from the fee into the general fund of the State.

Section 44-20-360. (A) The physical boundaries of Midlands Center, Coastal Center, Pee Dee Center, and Whitten Center are designated as independent school districts. These facilities may elect to participate in the usual activities of the districts, to receive state and federal aid, and to utilize other benefits enjoyed by independent school districts in general.

(B) The commission department operates as the board of trustees for these districts for administrative purposes, including the receipt and expenditure of funds granted to these districts for any purpose.

Section 44-20-365. No regional center of the department may be closed except as authorized by the General Assembly by law in an enactment that specifies by name the regional center to be closed.

Section 44-20-370. (A) The department shall:

(1) notify applicants when they have qualified under the provisions of this chapter;

(2) establish standards of operation and service for county disabilities and special needs intellectual and related disabilities programs funded in part or in whole by state appropriations to the department or through other fiscal resources under its control;

(3) review service plans submitted by county boards of disabilities and special needs intellectual and related disabilities boards and determine priorities for funding plans or portions of the plans subject to available funds;

(4) review county programs covered in this chapter;

(5) offer consultation and direction to county boards;

(6) take other action not inconsistent with the law to promote a high quality of services to persons with intellectual disability, related disabilities, head injuries, or spinal cord injuries, or autism and their families.

(B) The department shall seek to develop and utilize the most current and promising methods for the training of persons with intellectual disability, related disabilities, head injuries, and spinal cord injuries, and autism. It shall utilize the assistance, services, and findings of other state and federal agencies. The department shall disseminate these methods to county boards and programs providing related services.

Section 44-20-375. (A) Before July 1, 1992, county boards of intellectual and related disabilities and special needs must be created within a county or within a combination of counties by ordinance of the governing bodies of the counties concerned. The ordinance must establish the number, terms, appointment, and removal of board members and provide for their powers and duties in compliance with state law and the process for appointing board members which existed on January 1, 1991, must be preserved in the ordinance. However, where the county legislative delegation or county council recommends board members to the appointing authority, the delegation may transfer its authority to recommend to the council or the council may transfer its authority to the delegation. If there is a transfer, preservation of the authority to recommend existing on January 1, 1991, is not required, and the new recommending authority must be contained in the ordinance.

(B) County boards of intellectual and related disabilities and special needs established before January 1, 1991, shall continue to exist, operate, and function as they existed on January 1, 1991, until created by ordinance pursuant to subsection (A).

(C) After June 30, 1992, the department shall recognize only county boards of intellectual and related disabilities and special needs that plan, administer, or provide services to persons with intellectual disability, related disabilities, head injuries, and spinal cord injuries, and autism within a county or combination of counties which are created or established pursuant to this section, including those whose members are appointed by the Governor. A county board of intellectual and related disabilities and special needs created by ordinance before January 1, 1991, is considered created pursuant to this section, provided the ordinance includes and complies with the provisions of subsection (A).

(D) A county board of intellectual and related disabilities and special needs is a public entity.

(E) In Dorchester County, appointments made pursuant to this section are governed by the provisions of Act 512 of 1996.

(F) In Georgetown County, appointments made pursuant to this section are governed by the provisions of Act 515 of 1996.

Section 44-20-378. A county board of intellectual and related disabilities and special needs established pursuant to Section 44-20-375 must consist of not less than five members. If the board is created within a combination of counties, the number of members representing each county must be proportional to the county's population in relation to the total population of the counties served by the board. However, a county participating in a multicounty board must not have less than two members. The term of the members is four years and until their successors are appointed and qualify. Vacancies for unexpired terms must be filled in the same manner as the original appointments. A member may be removed by the appointing authority for neglect of duty, misconduct, or malfeasance in office after being given a written statement of reasons and an opportunity to be heard.

Section 44-20-380. (A) County disabilities and special needs boards County intellectual and related disabilities boards are encouraged to utilize lawful sources of funding to further the development of appropriate community services to meet the needs of persons with intellectual disability, related disabilities, head injuries, or spinal cord injuries, or autism and their families.

(B) County boards may apply to the department for funds for community services development under the terms and conditions as may be prescribed by the department. The department shall review the applications and, with the approval of the Secretary and subject to state appropriations to the department or to other funds under the department's control, may fund the programs it considers in the best interest of service delivery to the citizens of the State with intellectual disability, related disabilities, head injuries, or spinal cord injuries, or autism.

(C) Subject to the approval of the department, county boards may seek state or federal funds administered by state agencies other than the department, funds from local governments or from private sources, or funds available from agencies of the federal government. The county boards may not apply directly to the General Assembly for funding or receive funds directly from the General Assembly.

Section 44-20-385. Subject to the provisions of this chapter and the regulations of the department each county disabilities and special needs intellectual and related disabilities board:

(1) is the administrative, planning, coordinating, and service delivery body for county disabilities and special needs services funded in whole or in part by state appropriations to the department or funded from other sources under the department's control. It is a body corporate in deed and in law with all the powers incident to corporation including the power to incur debt insofar as that debt is payable from contract, grant, or other revenues and is not the debt of the State or its other political subdivisions. A county board may purchase and hold real and mortgage property and erect and maintain buildings. The department shall approve all debt of a county board to be paid in whole or in part from contract, grant, or other revenues provided by the State. However, the department has no responsibility for the debt so approved;

(2) shall submit an annual plan and projected budget to the department for approval and consideration of funding;

(3) shall review and evaluate on at least an annual basis the county disabilities and special needs board services provided pursuant to this chapter and report its findings and recommendations to the department;

(4) shall promote and accept local financial support for the county program from private and other lawful sources and promote public support from municipal and county sources;

(5) shall employ personnel and expend its budget for the direct delivery of services or contract with those service vendors necessary to carry out the county intellectual disability, related disabilities, head injuries, and spinal cord injuries, and autism services program who meet specifications prescribed by the department;

(6) shall plan, arrange, implement, and monitor working agreements with other human service agencies, public and private, and with other educational and judicial agencies;

(7) shall provide the department records, reports, and access to its sponsored services and facilities the department may require and submit its sponsored services and facilities to licensing requirements of the department or to the licensing requirements of other state or local agencies having this legal authority;

(8) shall represent the best interest of persons with intellectual disability, related disabilities, head injuries, or spinal cord injuries, or autism to the public, public officials, and other public or private organizations.

Section 44-20-390. (A) In order to provide assistance to families and individuals the department shall provide an initial intake and assessment service to a person believed to be in need of services and who makes application for them. An assessment must be provided through diagnostic centers at a diagnostic center of the department or a diagnostic center approved by the department. If upon completion of the assessment, the applicant is determined to have intellectual disability, a related disability, head injury, or spinal cord injury, or autism, and be in need of services, he may become a client of the department and eligible for services. A service plan must be designated for each person assessed. A person determined to have intellectual disability, a related disability, head injury, or spinal cord injury, or autism, and who chooses to become a client of the department, must be provided with the delivery or coordination of services by the department. A person determined not to have intellectual disability, a related disability, head injury, or spinal cord injury, or autism may be provided by the department with referral and assistance in obtaining appropriate services or further evaluation.

(B) Service plans must recommend the services to assist the individual in developing to the fullest potential in the least restrictive environment available. The department shall determine the “least restrictive environment” and may contract with individuals or organizations for a reasonable sum as determined by the department to provide the services. The department shall review service plans of its clients at least periodically according to standards prescribing the frequency to ensure that appropriate services are being provided in the least restrictive environment available. The parents, the legal guardian, the client, and other appropriate parties must be included in the review. The department shall develop standards prescribing the service plan review.

(C) No individual believed to have intellectual disability, a related disability, head injury, or spinal cord injury, or autism may be admitted to the services of the department until he has been examined at a diagnostic center of the department or a diagnostic center approved by the department and certified by the department on the basis of acceptable data to have intellectual disability, a related disability, head injury, or spinal cord injury, or autism, or unless he is an infant at risk of a developmental disability and in need of the department's services.

(D) The applicant shall meet residency requirements in at least one of the following categories:

(1) The applicant or his spouse, parent, with or without legal custody, or legal guardian is domiciled in South Carolina.

(2) The applicant or his spouse, parent, with or without legal custody, or legal guardian lives outside South Carolina but retains legal residency in this State and demonstrates to the department's satisfaction his intent to return to South Carolina.

(3) The applicant or his spouse or parent, with or without legal custody, or legal guardian is a legal resident of a state which is an active member of the Interstate Compact on Mental Health and qualifies for services under it.

Section 44-20-400. Upon the written request of the person, the person's parents, parent with legal custody, or lawful custodian or legal guardian and subject to the availability of suitable accommodations and services, a person with intellectual disability, a related disability, head injury, or spinal cord injury, or autism may be admitted to the services of the department for evaluation and diagnosis and shall remain in the residential services of the department for that period required to complete the diagnostic study. However, this period may not exceed thirty days except upon approval of the director or his designee. Individuals admitted under the provisions of this section are subject to the same regulations and departmental policies as regular admissions. The department may prescribe the form of the written application for diagnostic services.

Section 44-20-410. A person who is determined to be eligible for services is subject to the following considerations regarding his order of admission to services and programs:

(1) relative need of the person for special training, supervision, treatment, or care;

(2) availability of services suitable to the needs of the applicant.

Section 44-20-420. The director or his designee may designate the service or program in which a client is placed. The appropriate services and programs must be determined by the evaluation and assessment of the needs, interests, and goals of the client. The designation must align with the State Health Plan.

Section 44-20-430. The director or his designee has the final authority over applicant eligibility, determination, or services and admission order, subject to policies adopted by the commission Secretary, and direction as specified in the State Health Plan.

Section 44-20-440. Subject to the availability of suitable services and programs and subject to the provisions of “Requirement for Admission to Services”, “Order in which Person May be Admitted”, and “Final Authority over Eligibility”, the director or his designee may admit a client to the services of the department upon the written request of the parents of the person with intellectual disability, a related disability, head injury, or spinal cord injury, or autism, a parent with legal custody, spouse, lawful custodian or legal guardian, or the person with intellectual disability, a related disability, head injury, or spinal cord injury, or autism seeking to be admitted to the department's services if the person is twenty-one years of age or over and competent to make the decision. The department shall prescribe the form of the application for services.

B. Chapter 20, Title 44 of the S.C. Code is amended by adding:

Section 44-20-372. (A) The department shall develop and initiate negotiation of the service contracts through which it provides funds to service providers to accomplish the purposes set forth in this chapter. The department may, notwithstanding any provision of law to the contrary, disburse state and federal funds appropriated to it for intellectual and related disabilities services directly to the service provider.

(B) The service contract shall:

(1) delineate the responsibilities of the department and the service provider;

(2) specify conditions that must be met for the receipt of state and federal funds;

(3) identify the groups of individuals to be served with state and federal funds;

(4) contain specific outcome measures for individuals receiving services, provider performance measures, satisfaction measures for individuals receiving services, and participation and involvement measures for individuals receiving services and their family members;

(5) contain provisions that enable the department to enforce the service contract in the event that the service provider fails to substantially comply with the requirements of its service contract, which shall include:

(a) provisions to ensure that the service provider is notified when it fails to substantially comply with the requirements of its service contract;

(b) a remediation process to allow the service provider, after failing to substantially comply with its service contract, to come into substantial compliance with its service contract;

(c) provisions for withholding or reducing funds, repayment of funds, or termination of all or part of a service contract in accordance with the provisions of subsection (E) in the event that the service provider fails to come into substantial compliance with the provisions of its service contract despite utilization of the remediation process described in subsection (B); and

(d) provisions for appeal of an enforcement action undertaken by the department; and

(6) include requirements for the service provider to report specific information about (i) its revenues, costs, and services; (ii) individuals served; and (iii) any other information deemed necessary by the department, which must be displayed in a consistent, comparable format developed by the department.

(C) The department shall develop and implement a process for regular, ongoing monitoring of the performance of service providers to ensure compliance with the requirements of service contracts entered into pursuant to this section.

(D) If a service provider fails to comply with the requirements of its service contract, the department shall utilize the remediation process described in the service contract to allow the service provider to come into compliance. The department shall notify the service provider upon initiation of the remediation process and provide regular updates regarding the service provider’s progress toward coming into compliance. If a service provider fails to come into compliance after utilization of the remediation process, the Department shall, after affording the service provider an adequate opportunity to use the appeal process described in the service contract, terminate all or a portion of the service contract.

(E) Upon terminating all or a portion of a service contract pursuant to subsection E, the Department may, negotiate a performance contract with another service provider to obtain services that were the subject of the terminated performance contract.

(F) No service provider is eligible to receive state or federal funds for intellectual and related disabilities services, unless (i) its performance contract has been approved or renewed by the department; (ii) it provides service, cost, and revenue data and information, and aggregate and individual data and information about individuals receiving services to the department in the format prescribed by the department; (iii) it uses standardized cost accounting and financial management practices approved by the department, and (iv) the service provider is in compliance with its service contract or is making progress to become compliant through the department's remediation process.

C. Section 44-20-490(A) of the S.C. Code is amended to read:

(A) When the department determines that a client may benefit from being placed in an employment situation, the department shall regulate the terms and conditions of employment, shall supervise persons with intellectual disability, a related disability, head injury, or spinal cord injury, or autism so employed, and may assist the client in the management of monies earned through employment to the end that the best interests of the client are served.

D. Section 44-20-510 of the S.C. Code is amended to read:

Section 44-20-510. Placement of a person with intellectual disability, a related disability, head injury, or spinal cord injury, or autism in a program of the department does not preclude his attendance in community-based public school classes when the individual qualifies for the classes.

SECTION 17.A. Section 44-20-710 of the S.C. Code is amended to read:

Section 44-20-710. No day program in part or in full for the care, training, or treatment of a person with intellectual disability, a related disability, head injury, or spinal cord injury, or autism may deliver services unless a license first is obtained from the department. For the purpose of this article “in part” means a program operating for ten hours a week or more. Educational and training services offered under the sponsorship and direction of school districts and other state agencies are not required to be licensed under this article.

B. Section 44-20-740 of the S.C. Code is amended to read:

Section 44-20-740. No day program may accept a person with intellectual disability, a related disability, head injury, or spinal cord injury, or autism for services other than those for which it is licensed. No program may serve more than the number of clients as provided on the license. An applicant for a license shall file an application with the department in a form and under conditions the department may prescribe. The license must be issued for up to three years unless sooner suspended, revoked, or surrendered. The license is not transferable and must not be assigned.

C. Section 44-20-900(A) of the S.C. Code is amended to read:

(A) The department, in accordance with the laws of the State governing injunctions and other processes, may maintain an action in the name of the State against a person for establishing, conducting, managing, or operating a day program for the care, training, and treatment of a person with intellectual disability, a related disability, head injury, or spinal cord injury, or autism without obtaining a license as provided in this article. In charging a defendant in a complaint in the action, it is sufficient to charge that the defendant, upon a certain day and in a certain county, provided day program services without a license, without averring more particular facts concerning the charge.

SECTION 18. Article (7), Chapter 20, Title 44 of the S.C. Code is amended to read:

Article 7

Capital Improvements for Disabilities and Special Needs

Section 44-20-1110. The department has authority for all of the state's disabilities and special needs intellectual and related disabilities services and programs.

Section 44-20-1120. The commission may raise monies for the construction of improvements under the terms and conditions of this article.

Section 44-20-1130. The aggregate of the outstanding principal amounts of state capital improvement bonds issued for the commission department may not exceed twenty million dollars.

Section 44-20-1140. If the commission department determines that improvements are required for a residential regional center or community facility, it may make application for them to the State Fiscal Accountability Authority or Department of Administration, as appropriate. The application must contain:

(1) a description of the improvements sought and their estimated cost;

(2) the number of paying clients receiving services from the department, the amount of fees received from the clients during the preceding fiscal year, and the estimated amount to be received from them during the next succeeding fiscal year;

(3) the revenues derived from the paying clients during the preceding three fiscal years;

(4) a suggested maturity schedule, which may not exceed twenty years, for the repayment of monies to be made available to the commission for state capital improvement bonds;

(5) a statement showing the debt service requirements of other outstanding obligations.

Section 44-20-1150. The State Fiscal Accountability Authority or Department of Administration, as appropriate, may approve, in whole or in part, or may modify an application received from the commission department. If it finds that a need for the improvements sought by the commission department exists, it may contract to make available to the commission department funds to be realized from the sale of state capital improvements bonds if it finds that the revenues for the preceding fiscal year, if multiplied by the number of years, which may not exceed twenty, contemplated by the suggested or revised maturity schedule for the repayment of the monies to be made available to the commission department, result in the production of a sum equal to not less than one hundred twenty-five percent of the aggregate principal and interest requirement of all outstanding obligations and all obligations to be incurred by the commission department.

Section 44-20-1160. Upon receiving the approval of the State Fiscal Accountability Authority or Department of Administration, as appropriate, the commission department shall obligate itself to apply all monies derived from its revenues to the payment of the principal and interest of its outstanding obligations and those to be issued and to deliver to the county board its obligations.

Section 44-20-1170. (A) Following the execution and delivery of its obligations, the commission department shall remit to the State Treasurer all its revenues, including accumulated revenues not applicable to prior obligations, for credit to a special fund. The special fund must be applied to meet the sums due by the commission department under its obligations. These monies from the special fund must be applied by the State Treasurer to the payment of the principal of and interest on outstanding state capital improvement bonds.

(B) If the accumulation of revenues of the commission department in the special fund exceeds the payment due or to become due during the then current fiscal year and an additional sum equal to the maximum annual debt service requirement of the obligations for a succeeding fiscal year, the State Fiscal Accountability Authority or the Department of Administration, as applicable, may permit the commission department to withdraw the excess and apply it to improvements that have received the approval of the authority or department State Fiscal Accountability Authority or the Department of Administration, as applicable, or to transfer the excess out of the special fund for contract awards to local disabilities and special needs boards county intellectual and related disabilities boards for needed improvements at the local level and for nonrecurring prevention, assistive technology, and quality initiatives at the regional centers and local county boards.

SECTION 19.A. Section 43-21-10 of the S.C. Code is amended to read:

Section 43-21-10. There is created the Department on Aging. The department must be supported by an Advisory Council on Aging consisting of one member from each of the ten planning and service areas and five members from the State at large. The director of the department shall provide statewide notice that nominations may be submitted to the director from which the Governor Secretary of Health and Policy shall appoint the members of the council. The members must be citizens of the State who have an interest in and a knowledge of the problems of an aging population. In making appointments to the council, consideration must be given to assure that the council is composed of appointees who are diverse in age, who are able and disabled, and who are active leaders in organizations and institutions that represent different concerns of older citizens and their families. The chair must be elected by the members of the advisory council from its members for a term of two years and until a successor is elected. Members of the council shall serve without compensation but shall receive mileage and subsistence authorized by law for members of boards, commissions, and committees. The advisory council shall meet at least once each quarter and special meetings may be called at the discretion of the director of the department. Rules and procedures must be adopted by the council for the governance of its operations and activities.

B. Section 43-21-20 of the S.C. Code is amended to read:

Section 43-21-20. The members of the advisory council shall serve for terms of four years and until their successors are appointed and qualify. The terms of the members expire on June thirtieth and all vacancies must be filled in the manner of the original appointment for the unexpired portion of the term only. No member may serve more than two consecutive terms.

The Governor Secretary of Health and Policy may terminate a member of the council for any reason pursuant to the provisions of Section 1-3-240, and the reason for the termination must be communicated to each member of the council Section 44-12-50(B)(1).

C. Section 43-21-40 of the S.C. Code is amended to read:

Section 43-21-40. The department shall be the designated state agency to implement and administer all programs of the federal government relating to the aging, requiring acts within the State which are not the specific responsibility of another state agency under the provisions of federal or state law. The department may accept and disburse any funds available or which might become available pursuant to the purposes of this chapter, upon approval from the Secretary of Health and Policy.

The department shall study, investigate, plan, promote, and execute a program to meet the present and future needs of aging citizens of the State, in accordance with the State Health Plan, and it shall receive the cooperation of other state departments and agencies in carrying out a coordinated program.

It shall also be the duty of the department to encourage and assist in the development of programs for the aging in the counties and municipalities of this State. It shall consult and cooperate with the Secretary of Health and Policy, with public and voluntary groups, with county and municipal officers and agencies, and with any federal or state agency or officer for the purpose of promoting cooperation between state and local plans and programs, and between state and interstate plans and programs for the aging.

Without limiting the foregoing, the department is specifically authorized to:

(a) initiate requests for the investigation of potential resources and problems of the aging people of the State, encourage research programs, initiate pilot projects to demonstrate new services, and promote the training of personnel for work in the field of aging;

(b) promote community education in the problems of older people through institutes, publications, radio, television, and the press;

(c) cooperate with, encourage, and assist local groups, both public and voluntary, which are concerned with the problems of the aging;

(d) encourage the cooperation of agencies in dealing with problems of the aging and offer assistance to voluntary groups in the fulfillment of their responsibility for the aging;

(e) serve as a clearinghouse for information in the field of aging;

(f) appoint such committees as it deems necessary for carrying out the purposes of this chapter, such committee members to serve without compensation;

(g) engage in any other activity deemed necessary by the department to promote the health and well-being of the aging citizens of this State, not inconsistent with the purposes of this chapter or the public policies of the State, including the State Health Plan;

(h) certify homemakers and home health aides pursuant to the Federal Omnibus Budget Reconciliation Act of 1987 and subsequent amendments to that act and through regulations promulgated in accordance with the Administrative Procedures Act establish and collect fees for the administration of this certification program. Fees collected must be placed on deposit with the State Treasurer. Accounting records must be maintained in accordance with the Comptroller General's policies and procedures. Unused fees may be carried forward to the next fiscal year for the same purpose;

(i) award grants and contracts to public and private organizations for the purpose of planning, coordinating, administering, developing, and delivering aging programs and services;

(j) designate area agencies on aging as required by the Older Americans Act;

(k) administer the Senior Citizens Center Permanent Improvement Fund established pursuant to Section 12-21-3441 and community services programs in accordance with Section 12-21-3590.

D. Sections 43-21-60 through 43-21-140 of the S.C. Code are amended to read:

Section 43-21-60. The Department on Aging shall submit an annual report to the Secretary of Health and Policy, the Governor, and to the General Assembly on or before January first of each year. The report shall deal with the present and future needs of the elderly and with the work of the department during the year.

Section 43-21-70. The Governor Secretary of Health and Policy shall appoint with the advice and consent of the Senate a director to be the administrative officer of the Department on Aging who shall serve at the Governor's Secretary’s pleasure and who is subject to removal pursuant to the provisions of Section 1-3-240 Section 44-12-50(B)(1).

Section 43-21-80. The director shall appoint any other personnel and consultants considered necessary for the efficient performance of the duties prescribed by this chapter and shall fix the compensation therefore in accordance with the Human Resource Management Division of the State Department of Administration and Merit System requirements. The director shall administer the policies and regulations of the department. Department employees shall have such general duties and receive such compensation as determined by the director, within the authority given by the Secretary. The director shall be responsible for the administration of state personnel policies and general personnel policies of the Executive Office of Health and Policy. The director shall have sole authority to employ and discharge employees subject to such personnel policies and funding available for that purpose.

Section 43-21-100. The Department on Aging shall prepare the budget for its operation which must be submitted to the Governor and to the General Assembly for approval.

Section 43-21-110. The General Assembly shall provide an annual appropriation to carry out the work of the commission.

Section 43-21-120. There is created the Coordinating Council to the Department on Aging to work with the department on the coordination of programs related to the field of aging, and to advise and make pertinent recommendations, composed of the following: the Director of the Department of Health and Environmental Control, the State Director of Social Services, the Director of the Department of Mental Health, the Superintendent of Education, the Director of the State Department of Labor, Licensing and Regulation, the Executive Director of the South Carolina State Department of Employment and Workforce, the Secretary of Commerce, the Commissioner of the State Department of Vocational Rehabilitation, the Director of the Clemson University Extension Service, the Director of the South Carolina Department of Parks, Recreation and Tourism, the Director of the South Carolina Retirement System, the Executive Director of the South Carolina Municipal Association, the Executive Director of the State Office of Economic Opportunity, the Executive Director of the South Carolina Association of Counties, the Commissioner of the Commission for the Blind, the Director of the Department of Health and Human Services, the Director of the Department of Alcohol and Other Drug Abuse Services, and the Chairperson of the Commission on Women.

The council shall meet at least once each six months and special meetings may be called at the discretion of the chairman or upon request of a majority of the members.

The chairman of the advisory commission and the director of the Department on Aging, who shall serve as secretary to the council, shall attend the meetings of the council.

The director of each agency or department making up the council shall serve as chairman of the council for a term of one year. The office of chairman is held in the order in which the membership of the council is listed in this section.

Section 43-21-130. (A) There is created the Long Term Care Council (council) composed of the following voting members:

(1) the Governor or his designee Long Term Care Ombudsman;

(2) the Director of the Department of Social Services;

(3) the Director of the Department of Public Health and Environmental Control;

(4) the Director of the Department of Mental Health Behavioral Health and Substance Abuse Services;

(5) the Director of the Department of Intellectual and Related Disabilities and Special Needs;

(6) the Director of the Division Department on Aging;

(7) the Director of the Department of Health and Human Services Financing;

(8) the Chairman of the Joint Legislative Health Care Planning and Oversight Committee, or his designee;

(9) the Chairman of the Joint Legislative Committee on Aging, or his designee;

(10) one representative of each of the following groups appointed by the Lieutenant Governor annually:

(a) long term care providers;

(b) long term care consumers;

(c) persons in the insurance industry developing or marketing a long term care product.

(8) one representative of each of the following groups appointed by the Secretary of Health and Policy annually:

(a) long term care providers;

(b) long term care consumers;

(c) persons in the insurance industry developing or marketing a long term care product.

(B) Each director serving as a council member may authorize in writing a designee to vote on his behalf at two meetings a year. Members appointed by the Lieutenant Governor Secretary to represent private groups serve without compensation.

(C) The council shall meet at least quarterly, provide for its own officers, and make an annual report to the Secretary of Health and Policy, the Governor, and the General Assembly before January second each year. This report must include new council recommendations.

Section 43-21-140. The council has no authority to direct or require any implementing action from any member agency. The council shall identify future policy issues in long term care and may conduct research and demonstration activities related to these issues. Through close coordination of each member agency's planning efforts, the council shall develop recommendations for a statewide service delivery system for all health-impaired elderly or disabled persons, regardless of the persons' resources or source of payment in furtherance of the State Health Plan. These recommendations must be updated annually as needed. The service delivery system must provide for:

(1) charges based on ability to pay for persons not eligible for Medicaid;

(2) coordination of community services;

(3) access to and receipt of an appropriate mix of long term care services for all health-impaired elderly or disabled persons;

(4) case management; and

(5) discharge planning and services.

The council, through its member agencies, shall study and make recommendations concerning the costs and benefits of: adult day care centers, in-home and institutional respite care, adult foster homes, incentives for families to provide in-home care, such as cash assistance, tax credits or deductions, and home-delivered services to aid families caring for chronically impaired elderly relatives.

SECTION 20. Section 48-6-60(A) of the S.C. Code is amended to read:

(A) The Department of Environmental Services may make, adopt, promulgate, and enforce reasonable rules and regulations from time to time requiring and providing for:

(1) the classification of waters;

(2) the control of disease-bearing insects, including the impounding of waters;

(3)(2) the control of industrial plants, including the protection of workers from fumes, gases, and dust, whether obnoxious or toxic;

(4)(3) the use of water in air humidifiers;

(5)(4) the regulation of the methods of disposition of garbage or sewage and any like refuse matter in or near any village, town, or city of the State, incorporated or unincorporated, and to abate obnoxious and offensive odors caused or produced by septic tank toilets by prosecution, injunction, or otherwise; and

(6)(5) the alteration of safety glazing material standards and the defining of additional structural locations as hazardous areas, and for notice and hearing procedures by which to effect these changes.;

(6) the safety and sanitation regarding harvesting, storing, processing, handling, and transportation of mollusks, fin fish, and crustaceans; and

(7) the safety, safe operation, and sanitation of public swimming pools and other public bathing places, construction, tourist and trailer camps, and fairs.

SECTION 21. This act takes effect upon approval by the Governor.

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