

Department of Health and Human Services
Office of Inspector General



Office of Audit Services

October 2025 | A-04-24-00137

South Carolina Did Not Comply With Federal Waiver and State Requirements at 19 of 20 Adult Day Care Facilities

REPORT HIGHLIGHTS



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Why OIG Did This Audit

- OIG has conducted health and safety audits of adult day care and foster care homes in various States. Those audits identified multiple health and safety issues that put children and adults at risk.
- This audit examined whether adults participating in South Carolina's Home and Community-Based Services waiver program were at risk.
- This audit determined whether South Carolina complied with Federal waiver and State requirements in overseeing adult day care facilities that serve adults who receive services through the program.

What OIG Found

South Carolina did not fully comply with Federal waiver and State requirements in overseeing providers that serve adults receiving adult day care services because of insufficient inspections that did not ensure a continuously safe and nonhazardous environment. As a result, adults were at risk in numerous instances.

- We found 204 instances of noncompliance with health, safety, and administrative requirements among 19 of the 20 providers we reviewed.
- Of the 20 providers, 17 did not comply with 1 or more health and safety requirements and 18 did not comply with 1 or more administrative requirements.

What OIG Recommends

We recommend that the South Carolina Department of Health and Human Services:

- work with the South Carolina Department of Public Health to ensure that providers correct the 204 instances of provider noncompliance identified in this report;
- improve its oversight and monitoring of providers; and
- work with providers to improve their facilities, staffing, and training.

In written comments on our draft report, the State agency concurred with all three recommendations.

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INTRODUCTION

WHY WE DID THIS AUDIT

The Office of Inspector General (OIG) has conducted health and safety audits of adult day care and foster care homes and regulated childcare facilities (Appendix B lists related OIG reports). Those audits identified multiple health and safety issues that put children and adults at risk. We wanted to determine whether vulnerable adults participating in South Carolina's Home and Community-Based Services (HCBS) waiver program (the program) were at risk.

OBJECTIVE

Our objective was to determine whether the South Carolina Department of Health and Human Services (State agency) complied with Federal waiver and State requirements in overseeing adult day care (ADC) facilities that serve vulnerable adults who receive services through the program.

BACKGROUND

The Medicaid program provides medical assistance to low-income individuals and individuals with disabilities. The Federal and State Governments jointly fund and administer the Medicaid program. At the Federal level, the Centers for Medicare & Medicaid Services (CMS) administers the Medicaid program. In South Carolina, the State agency administers its Medicaid program in accordance with a CMS-approved State plan. The State plan establishes which services the Medicaid program will cover.

Section 1915(c) of the Social Security Act authorizes the Secretary of Health and Human Services to waive certain Medicaid statutory requirements so that a State may offer HCBS to a State-specified target group of Medicaid recipients who need a level of institutional care that is provided under the Medicaid State plan.

Before the enactment of section 1915(c), the Medicaid program provided limited coverage for long-term services and support in noninstitutional settings but offered full or partial coverage of institutional care. Section 1915(c) was enacted to enable States to address the needs of individuals who would otherwise receive costly institutional care by furnishing cost-effective services that allow them to remain in their households and communities.

Federal regulations for section 1915(c) waivers require States to provide assurances that they will implement safeguards, including adequate standards for provider participation, to protect the health and welfare of individuals served under the waiver and to assure financial accountability for funds expended for those services (42 CFR § 441.302).

As part of the waiver, the State agency must also provide assurances that State requirements are met for services or for individuals furnishing services that are provided under the waiver (42 CFR § 441.302(a)(2)).

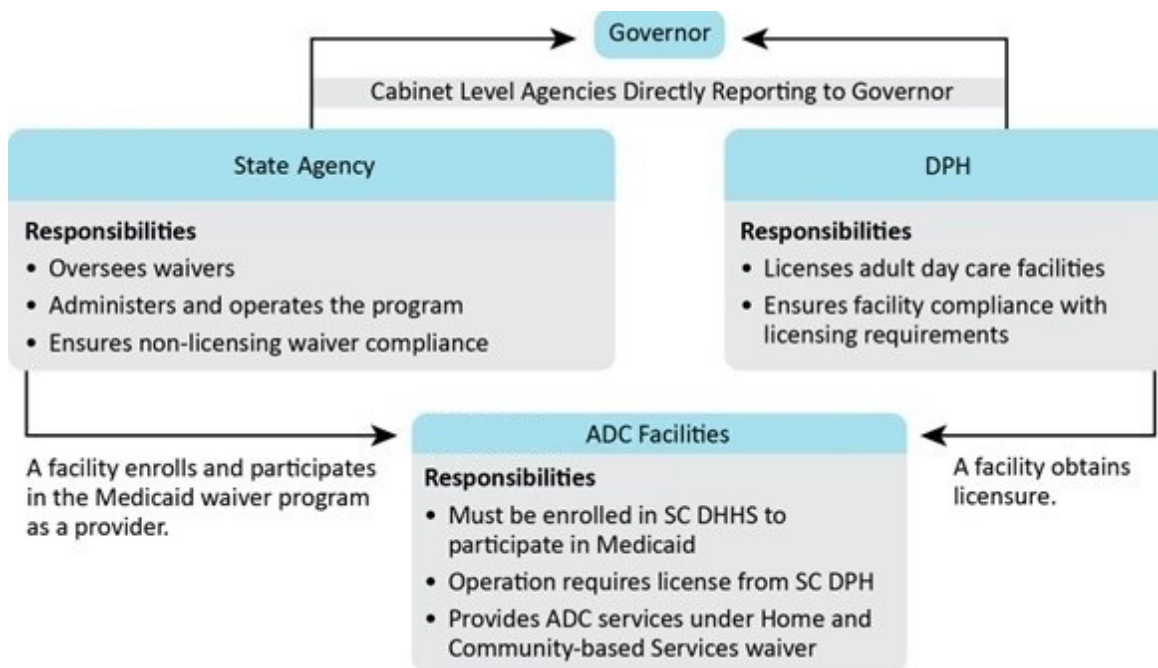
South Carolina Home and Community-Based Services Waiver Program

The State agency administers and operates the program under a 1915(c) waiver to its Medicaid State plan. The program funds HCBS for people who are 65 or older, or 18 or older and eligible for South Carolina Medicaid by reason of a disability, who require the level of care provided in a nursing home but choose to live in the community.

South Carolina Adult Day Care Services

Under South Carolina's Long-Term Care program, licensed ADC facilities provide therapeutic programs and activities for adults who have functional impairments in a protective environment that does not resemble characteristics of an institutional setting.¹ While the State agency administers and operates the program under a 1915(c) waiver, South Carolina established a separate licensing body that also works to ensure compliance with certain health, safety, and administrative requirements. The figure below shows the division of responsibility.

Figure: Administration of South Carolina's Waiver Programs



South Carolina divides responsibilities for ensuring ADC facilities comply with health, safety, and administrative requirements between the State agency and the South Carolina Department of Public Health (DPH).

- *State Agency.* The State agency is responsible for the administration of the HCBS waiver. It also performs inspections to ensure ADC facility compliance with health and

¹ South Carolina Code of Regulations § 61-75.100.102(A) Licensure.

safety requirements from the waiver and requirements included in the State agency's *HCBS Provider Policy Scope of Services*.²

- *Department of Public Health*. DPH is responsible for licensure of ADC facilities.³ DPH inspects and investigates all health care activities related to facility licensing and the South Carolina licensing regulations.⁴ DPH performs inspections and investigations to ensure safe and adequate treatment in ADC facilities.

ADC services include therapeutic social and health activities and services, leisure activities, self-care training, rest, nutritional services, and respite care.⁵ These services are designed to prevent institutionalization of aged or disabled individuals by offering effective individualized services that ensure the health, safety, and welfare of participants so they may remain in their own home and community. Participants may use a variety of services offered during any part of a day, but less than a 24-hour period.

DPH ensures the health and welfare of vulnerable adults through licensing standards in State statutes and regulations. The State agency, meanwhile, ensures the health and welfare of adults through the requirements in its HCBS Scope of Services, Adult Day Health Care guidance and its application for waiver services.⁶ ADC facilities providing program services (providers) must meet the health care needs of program participants and maintain compliance with State requirements. In addition, the State agency must comply with Federal waiver and State requirements for overseeing and monitoring the health and welfare of program participants.⁷

HOW WE CONDUCTED THIS AUDIT

Of the 80 ADC providers in South Carolina as of June 26, 2024, we selected a nonstatistical sample of 20 for audit. We selected these providers based on their location and number of participants. To evaluate the State agency's oversight of facilities, we conducted unannounced site visits at the 20 selected facilities between August 12 and August 16, 2024, and we discussed with State officials how the State agency monitors its facilities.

² State Agency, *HCBS Provider Policy Scope of Services, Adult Day Health Care*. July 1, 2024.

³ S.C. Code Ann. § 44-7-130(10); S.C. Code Ann. § 44-7-140; S.C. Code Ann. § 44-7-150; and South Carolina Act No. 60 (2023).

⁴ South Carolina Code of Regulations § 61-75.

⁵ State Agency, *HCBS Provider Policy Scope of Services, Adult Day Health Care*, Section C, step 4. July 1, 2024.

⁶ In its waiver, the State agency assures that necessary safeguards have been taken to protect the health and welfare of persons receiving services under the waiver. These safeguards include adequate standards for all types of providers that provide services under the waiver.

⁷ South Carolina Code of Regulations § 61-75 and Application for 1915(c) HCBS Waiver: SC.0237.R06.06 - Jul 01, 2023 (as of Jul 01, 2023), section 5(A) and (H).

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix A contains the details of our audit scope and methodology. Appendix C contains Federal regulations and specific State requirements related to health, safety, and administration.

FINDINGS

The State agency did not fully comply with Federal waiver and State requirements in overseeing providers that serve adults receiving ADC services through the program. We found 204 instances of noncompliance with health, safety, and administrative requirements among 19 of the 20 providers we reviewed. Of these providers, 17 did not comply with 1 or more health and safety requirements and 18 did not comply with 1 or more administrative requirements.⁸ As a result, vulnerable adults were at risk in numerous instances because providers did not always meet the needs of program participants or maintain compliance with State requirements, and the State agency's inspections of facilities were insufficient to ensure a continuously safe and nonhazardous environment (see Appendix D).

SEVENTEEN PROVIDERS DID NOT COMPLY WITH ONE OR MORE HEALTH AND SAFETY REQUIREMENTS

The State agency must inspect providers to ensure compliance with applicable State requirements, including those regarding health and safety.⁹ Providers must provide safe, secure, and clean facilities.¹⁰ In addition, providers must offer a facility that is planned, designed, and equipped to provide and promote the health, safety, and well-being of each participant.¹¹

We found 116 instances of provider noncompliance with State health and safety requirements among 17 of the 20 providers we reviewed. Of those providers, we found insufficient building maintenance in 11 facilities,¹² toxic chemicals in unlocked areas that were accessible to

⁸ Sixteen providers did not comply with both health and safety and administrative requirements.

⁹ South Carolina Code of Regulations § 61-75.200.201 and 202.

¹⁰ South Carolina Code of Regulations § 61-75.1000.1001(A)(5).

¹¹ South Carolina Code of Regulations § 61-75.1900.1901(A).

¹² South Carolina Code of Regulations § 61-75.2400 and 2600.

participants in 9 facilities (Photograph 1),¹³ and unclean conditions in 9 facilities (Photograph 2).¹⁴

Photograph 1: Accessible Hazardous Chemicals



Photograph 2: Unclean Bathroom

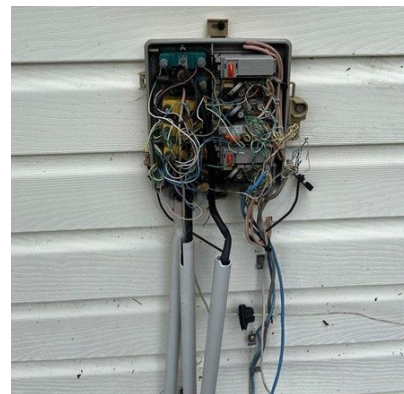


In addition, we noted a blocked exit in one facility (Photograph 3).^{15, 16} We also found exposed wiring and non–Ground Fault Circuit-Interrupter (GFCI)-protected outlets within 6 feet of wet locations, such as sinks, in seven facilities (Photograph 4).¹⁷

Photograph 3: Blocked Exit



Photograph 4: Exposed Wiring



¹³ South Carolina Code of Regulations § 61-75.1700.1704(A)(3), (A)(4), and (B)(3). South Carolina Code of Regulations § 61-75.2600.2604(C).

¹⁴ South Carolina Code of Regulations § 61-75.1700.1703–1707.

¹⁵ South Carolina Code of Regulations § 61-75.1700.1706.

¹⁶ South Carolina Code of Regulations § 61-75.1900.1901(G).

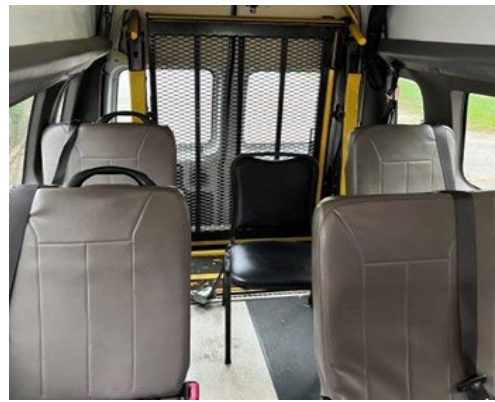
¹⁷ South Carolina Code of Regulations § 61-75.2400.2403.

Finally, we noted signs of water damage in three facilities (Photograph 5)¹⁸ and a stacking chair strapped to the floor in a transport van at one facility, constituting a vehicle safety issue (Photograph 6).¹⁹ See Appendix E for additional photographs of noncompliance.

Photograph 5: Water Damage



Photograph 6: Chair in Van



EIGHTEEN PROVIDERS DID NOT COMPLY WITH ONE OR MORE ADMINISTRATIVE REQUIREMENTS

The State agency must inspect providers to ensure compliance with applicable State requirements, including those regarding administration.²⁰ Providers must meet the needs of the participants by having enough appropriately qualified staff.²¹ For example, before employment, staff who will have direct contact with participants must complete a background check and have a tuberculosis test.²²

We found 88 instances of noncompliance with State administrative requirements among 18 of the 20 providers we reviewed. For example:

¹⁸ South Carolina Code of Regulations § 61-75.1600.1601.

¹⁹ South Carolina Code of Regulations § 61-75.1000.1001(A)(5).

²⁰ South Carolina Code of Regulations § 61-75.200.201 and 202.

²¹ South Carolina Code of Regulations § 61-75.500.

²² South Carolina Regulation § 61-75.500.501 and 1700.1701–1702.

- Three providers did not have licensed or certified medical personnel on duty for the minimum number of hours per day.^{23, 24, 25}
- Three providers did not conduct required fire drills.²⁶
- Five providers did not ensure staff were free from tuberculosis prior to participant contact.²⁷
- Four providers had at least one staff member who did not receive required training.²⁸
- Nine providers did not conduct criminal background checks, Certified Nursing Assistant (CNA) registry checks, or OIG exclusions lists checks for certain staff, as required.^{29, 30, 31}

INSUFFICIENT INSPECTIONS OF FACILITIES ALLOWED NONCOMPLIANCE WITH FEDERAL WAIVER AND STATE REQUIREMENTS

The State agency did not fully comply with Federal waiver and State requirements for overseeing and monitoring the health and welfare of Medicaid recipients receiving ADC services because its inspections of facilities were insufficient to ensure a continuously safe and nonhazardous environment.

Between June 1, 2022, and July 30, 2024, the State agency inspected 19 of the 20 providers we reviewed. While the State agency's inspection documentation did identify some compliance

²³ State Agency, *HCBS Provider Policy Scope of Services, Adult Day Health Care*, Section D, step 1.

²⁴ State Agency, Application for a 1915(c) HCBS Waiver, Appendix C-1/C-3: "Provider Specifications for Service."

²⁵ The three facilities had RNs on staff, but they were not present for the minimum time required every day of operation.

²⁶ South Carolina Code of Regulations § 61-75.1500.1504(A).

²⁷ South Carolina Regulation § 61-75.1700.1701 and 1702.

²⁸ South Carolina Regulation § 61-75.500.504 and 505.

²⁹ South Carolina Regulation § 61-75.500.501.

³⁰ State Agency, Application for 1915(c) HCBS Waiver, Appendix C-1/C-3: "Provider Specifications for Service," "Adult Day Health Provider."

³¹ Of the nine providers that did not conduct at least one required background or registry check, we found the following: two did not perform background checks every two years for all staff and did not check OIG exclusion lists for some or all staff; three did not check OIG exclusion lists for any staff; one did not complete background checks every two years on schedule and did not check OIG exclusion lists or the South Carolina CNA registry for any staff; one did not complete background checks every two years and did not check OIG exclusion lists or the CNA registry; one did not check the CNA registry; and one did not complete background checks every two years for all staff.

violations for 9 facilities, they did not identify any of the errors we found at the remaining 10 providers. Those errors included chemicals in unlocked areas, unclean conditions, non-GFCI outlets, notable water damage or mold, and vehicle safety conditions.

State inspections were not always sufficient to identify non-compliance with staff and participant record requirements. For example, five facilities did not ensure staff were free from tuberculosis before they came in contact with participants, but State inspection reports only showed two facilities did not meet this standard. In addition, nine providers did not conduct criminal background checks or review the CNA database and OIG exclusion lists for all staff before they began working with participants. However, the State identified only one facility that did not record all required checks. Inspections also failed to identify providers that did not have licensed medical personnel present when required.

Providers did not always meet the needs of program participants or maintain compliance with State requirements, and the State agency's oversight and monitoring did not detect many instances of noncompliance. As a result, the health and safety of the participants of these facilities was at risk.

RECOMMENDATIONS

We recommend that the South Carolina Department of Health and Human Services:

- Work with the South Carolina Department of Public Health to ensure that providers correct the 204 instances of provider noncompliance identified in this report
- Improve its oversight and monitoring of providers
- Work with providers to improve their facilities, staffing, and training

STATE AGENCY COMMENTS

In written comments on our draft report, the State agency agreed with our recommendations related to findings under their waiver program responsibilities and detailed steps it has taken and plans to take in response to our recommendations. The State agency also provided DPH's comments describing steps it has planned to take to implement our recommendations.

Related to our first recommendation, the State agency described corrective actions to correct the instances of noncompliance under their regulatory authority. The State agency steps included facilitating interagency meetings with DPH to ensure all identified compliance deficiencies are corrected. The State agency also clarified that the transportation van identified in the report as unsafe was not used for Medicaid members but affirmed it will continue monitoring vehicle compliance. DPH indicated that it will conduct follow-up inspections to ensure providers correct instances of State licensing noncompliance identified in the report.

Related to our second recommendation, the State agency stated that it initiated compliance reviews of providers identified in this report and provided steps to correct instances of noncompliance. They included the following: (1) conduct provider training with all contracted providers, (2) train the internal monitoring team to appropriately refer licensure issues and/or complaints to DPH, (3) share results of compliance reviews with DPH to determine program improvement strategies for any administrative findings, and (4) facilitate contracted provider education and training opportunities and continue to focus on documentation and the maintenance of employee records. DPH stated it will provide additional training and training materials for inspectors and will incorporate additional reviews to increase frequency of monitoring some safety compliance issues.

Related to our third recommendation, the State agency described steps it is taking and plans to take to improve facilities, staffing and training. DPH added that it is developing training materials to share with providers in need of compliance assistance.

The State agency's comments are included in their entirety as Appendix F.

APPENDIX A: AUDIT SCOPE AND METHODOLOGY

SCOPE

Of the 80 ADC providers in South Carolina as of June 26, 2024, we selected a nonstatistical sample of 20 for audit, based on their location and the number of their participants. We attempted to distribute our selections across rural, urban, and suburban areas across the State.

To evaluate the State agency's oversight of facilities, we conducted unannounced site visits at the 20 selected facilities between August 12 and August 16, 2024. We conducted fieldwork in the cities of Marion, Kingstree, Lamar, Florence, Anderson, Piedmont, Gaffney, Greer, Greenville, Georgetown, Santee, Holly Hill, North Charleston, Ladson, West Columbia, Columbia, Sumter, and Winnsboro.

During our audit, we did not review the overall internal control structure of the State agency or the Medicaid program. Rather, we reviewed only the internal controls that pertained directly to our objective.

METHODOLOGY

To accomplish our objective, we:

- reviewed applicable Federal laws, State statutes, and regulations for facilities;
- discussed with State officials how the State agency monitors its facilities;
- developed a health, safety, and administrative requirement checklist from State requirements as a guide for conducting site visits;
- selected for audit a nonstatistical sample of 20 providers from the 80 ADC providers in South Carolina, based on their location and the number of their participants;
- conducted unannounced site visits at the 20 providers selected for audit;
- evaluated provider compliance using the health, safety, and administrative requirement checklist;
- reviewed State agency inspection reports for 19 of the 20 providers selected for audit;³² and
- discussed the results of our audit with State officials.

³² South Carolina provided inspection reports for 19 of the 20 providers selected for audit.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

APPENDIX B: RELATED OFFICE OF INSPECTOR GENERAL REPORTS

Report Title	Report Number	Date Issued
<i>Maryland Did Not Comply With Federal Waiver and State Requirements at 20 Adult Day Care Facilities Audited</i>	<u>A-03-24-00201</u>	5/15/2025
<i>Ohio Did Not Comply With Federal Waiver and State Requirements at 18 of the 19 Adult Day Health Care Facilities Audited</i>	<u>A-05-23-00006</u>	4/10/2025
<i>Texas Did Not Fully Comply With Federal Waiver and State Health, Safety, and Administrative Requirements At All 20 Adult Day Activity and Health Service Facilities Audited</i>	<u>A-06-23-05000</u>	3/7/2025
<i>Florida Did Not Comply With Federal Waiver and State Requirements at 18 of 20 Adult Day Care Facilities Reviewed</i>	<u>A-04-23-00135</u>	12/26/2024
<i>Washington State's Oversight Could Better Ensure That Adult Family Homes Comply With Health and Safety and Administrative Requirements</i>	<u>A-09-23-02002</u>	11/13/2024
<i>Georgia Did Not Comply With Federal Waiver and State Requirements at All 20 Adult Day Health Care Facilities Reviewed</i>	<u>A-04-22-00134</u>	3/14/2023
<i>New York's Oversight of Medicaid Managed Care Organizations Did Not Ensure Providers Complied With Health and Safety Requirements at 18 of 20 Adult Day Care Facilities Reviewed</i>	<u>A-02-18-01027</u>	3/26/2020
<i>California Needs To Improve Oversight of Community-Based Adult Services Providers' Compliance With Health and Safety and Administrative Requirements</i>	<u>A-09-18-02002</u>	9/30/2019
<i>Kentucky Did Not Comply With Federal Waiver and State Requirements at 14 of 20 Adult Day Health Care Facilities Reviewed</i>	<u>A-04-18-00123</u>	7/9/2019
<i>Four States Did Not Comply With Federal Waiver and State Requirements in Overseeing Adult Day Care Centers and Foster Care Homes</i>	<u>A-05-19-00005</u>	5/16/2019
<i>Wisconsin Did Not Comply With Federal Waiver and State Requirements at All 20 Adult Day Service Centers Reviewed</i>	<u>A-05-17-00030</u>	10/15/2018
<i>Mississippi Did Not Comply With Federal Waiver and State Requirements at All 20 Adult Day Care Facilities Reviewed</i>	<u>A-04-17-00116</u>	8/20/2018
<i>Illinois Did Not Comply With Federal Waiver and State Requirements at 18 of 20 Adult Day Service Centers Reviewed</i>	<u>A-05-17-00028</u>	7/24/2018
<i>Minnesota Did Not Comply With Federal Waiver and State Requirements for All 20 Adult Day Care Centers Reviewed</i>	<u>A-05-17-00009</u>	5/30/2018

Report Title	Report Number	Date Issued
<i>Minnesota Did Not Comply With Federal Waiver and State Requirements for 18 of 20 Family Adult Foster Care Homes Reviewed</i>	<u>A-05-16-00044</u>	10/31/2017

APPENDIX C: FEDERAL REGULATIONS AND STATE REQUIREMENTS

FEDERAL REGULATIONS

Section 1915(c) of the Social Security Act authorizes the Secretary of Health and Human Services to waive certain Medicaid statutory requirements so that a State may offer HCBS to a specified target group of Medicaid recipients who need a level of institutional care that is provided under the Medicaid State plan.

Before the enactment of section 1915(c), the Medicaid program provided limited coverage for long-term services and support in noninstitutional settings but offered full or partial coverage of institutional care. Section 1915(c) was enacted to enable States to address the needs of individuals who would otherwise receive costly institutional care by furnishing cost-effective services while the individuals remain in their households and communities.

Federal regulations for section 1915(c) waivers require States to provide assurance that necessary safeguards will be taken, including adequate standards for provider participation, to protect the health and welfare of individuals serviced under the waiver and to assure financial accountability for funds expended for those services. (42 CFR § 441.302).

As part of the waiver, the State agency is required to ensure the health and welfare of participants through oversight and monitoring of providers. (42 CFR § 441.302(a)(2); 1915(c) waiver, Appendix C).

STATE REQUIREMENTS

The State identifies provider licensure requirements for the operation of ADC facilities in its South Carolina Code of Laws, title 44, chapter 7, article 3 “State Health Facility Licensure Act.” In addition, the State identifies rules for licensing and operation of ADC facilities in its South Carolina Code of Regulations chapter 61-75, “Standards for Licensing Day Care Facilities for Adults.”

South Carolina Code of Regulations, chapter 61-75

SCCR § 61-75.400(B).

- B. The Facility shall ensure the written policies and procedures include the following:
 - 1. Staffing and training;
 - 2. Reporting Incidents, closure, and zero census;
 - 3. Participant records;
 - 4. Participant care and services;
 - 5. Participant rights and assurances;
 - 6. Medication management;
 - 7. Admissions and Discharge;

8. Fire prevention;
9. Housekeeping;
10. Infection control including prevention, identification, reporting, investigation, and control of infections and communicable diseases among Participants, Staff, Volunteers, visitors, and any individual providing care and services; and
11. Facilities providing an Alzheimer's special care program shall include in its policies and procedures the form of care or treatment provided that distinguishes it as being especially applicable to or suitable for persons with Alzheimer's disease pursuant to the South Carolina Alzheimer's Special Care Disclosure Act.

SCCR § 61-75.500.501.

- A. Before being employed or contracted as a Staff member or Volunteer, all Direct Caregiver Staff shall undergo a criminal background check pursuant to South Carolina Code Section 44-7-2910. Staff members and Volunteers shall not have a prior conviction or have pled no contest (nolo contendere) to unlawful conduct toward a child, as defined by South Carolina Code Section 63-45-70; Abuse, Neglect, or Exploitation of a vulnerable Adult, as defined by South Carolina Code Sections 43-35-10, et seq.; or any similar criminal offense. The Facility shall maintain documentation of all criminal background checks and make them available to the Department upon request.
- B. The Facility shall maintain a personnel file for each Staff member and Volunteer. The Facility shall ensure the personnel file for each Staff member and Volunteer contains:
 1. Accurate and current information to include at least address, phone number, date of hire, first day on the job, date of initial Participant contact, and personal, work, and training background; and
 2. A current job description that reflects responsibilities and work assignments, job orientation, in-service education, and Health Assessment including tuberculin skin testing as described in Section 1702.

SCCR § 61-75.500.502(C).

- C. The Facility shall designate in writing a Staff member to act in the absence of the Administrator.

SCCR § 61-75.500.504.

The Facility shall develop and execute a written orientation program to familiarize all new Staff members and Volunteers with the Facility, its policies and procedures, the Staff members' job responsibilities, and needs of the Participants. The Facility shall maintain documentation of orientation that includes orientation source and duration and shall be signed and dated by the orientation trainer and trainee. The Facility shall ensure all orientation is completed within twenty-four (24) hours of the first day on the job in the Facility.

SCCR § 61-75.500.505.

The Facility shall require all Staff members and Volunteers to complete the necessary training to perform their duties and responsibilities. The Facility shall ensure documentation of all training is signed and dated by both the individual providing the training and the individual receiving the training. A signature for the individual providing the training may be omitted for computer-based training. The following training shall be provided to all Staff and Volunteers prior to Participant contact and at a frequency determined by the Facility, but at least Annually unless otherwise specified by certificate, e.g., cardiopulmonary resuscitation (CPR):

- A. Fire Safety Measures;
- B. Infection Control;
- C. Participant Rights including prevention of Abuse, Neglect, and Exploitation;
- D. Confidentiality of Participant information and records;
- E. Depending on the type of Participants, care of persons specific to the physical and/or mental condition being cared for in the Facility including dementia, cognitive disability, mental illness, or aggressive, violent, and/or inappropriate behavioral symptoms, and etc., to include communication techniques (cueing and mirroring), understanding and coping with behaviors, safety, activities, etc.; and
- F. At least one (1) Staff member who has certification of first-aid training, cardiopulmonary resuscitation (CPR) certification, and is capable of recognizing symptoms of distress shall be present when Participants are in the Facility. If the Staff member is a licensed nurse, first-aid training shall not be required.

SCCR § 61-75.500.506.

- A. All Staff members and Volunteers who have contact with Participants shall have a Health Assessment within twelve (12) months prior to initial Participant contact. The Health Assessment shall include tuberculin skin testing as described in Section 1702.
- B. For Staff members working at multiple Facilities operated by the same Licensee, copies of the documented Health Assessment shall be accessible at each Facility.

SCCR § 61-75.600.601(A).

- A. The Facility shall document every Incident and include an Incident review, Investigation, and evaluation as well as corrective action taken, if any. The Facility shall retain all documented Incidents reported pursuant to this section for six (6) years after the Participant involved is last Discharged. The Facility shall keep the documents onsite and readily available at the Facility for the first year following Participant Discharge.

SCCR § 61-75.700.701(B).

- B. The Facility shall maintain current Participant records for each Participant that contain:
 - 1. A personal data sheet to include: full name, address, phone number, photo, race, religious preference, marital status, name of spouse, Responsible Party, Sponsor, emergency contact, and Participant's personal physician(s);
 - 2. An enrollment Physical Examination and subsequent Physical Examinations;
 - 3. Progress Notes. The Facility shall document, at least quarterly, progress notes by Direct Care Staff for each Participant. The Facility shall ensure that all progress

notes include the progress of each Participant relative to the achievement of goals as indicated in the Individual Plan of Care;

4. A signed written agreement between the Participant and/or the Participant's Sponsor or Responsible Party and the Facility. The Facility shall revise the agreement upon any changes and document the signatures of the Participant, Sponsor, or Responsible Party. The Facility shall ensure the written agreement includes at least the following:
 - a. An explanation of the specific care, services, and activities provided by the Facility; and
 - b. Disclosure of fees for all care, services, and activities provided;
5. A record of Incidents, emergencies, and illnesses that occur while the Participant is receiving Adult Day Care Services; and
6. A written acknowledgement of the Statement of Rights of Adult Day Care Participants signed by the Participant, or Responsible Party or Sponsor.

SCCR § 61-75.700.702.

The Facility shall ensure a Staff member conducts and documents a written initial enrollment assessment of the Participant to include the Participant's physical condition, capabilities, preferences, and needs. The Facility shall ensure the Staff member conducts the initial enrollment assessment within a time period determined by the Facility that is evidenced and documented by the signature and date of the Staff member.

SCCR § 61-75.700.703(A).

- A. The Facility shall complete the Individual Plan of Care for each Participant within thirty (30) calendar days of the Participant's enrollment and shall review and/or revise as changes in Participant's needs occur but not less than semi-annually with the Participant, Administrator or designee, and/or the Sponsor or Responsible Party as evidenced by their signatures and date. The Facility shall provide the Responsible Party and or Sponsor a copy of the Individual Plan of Care upon request.

SCCR § 61-75.700.704(A).

- A. The Licensee shall provide accommodations, space, supplies, and equipment for the protection, storage, and maintenance of Participant records in an organized manner.

SCCR § 61-75.900.901(D).

- D. The Facility shall post the current month's schedule in order for Participants to be made aware of activities offered. This schedule shall include activities, dates, times, and locations. Participants may choose activities and schedules consistent with their interests and physical, mental, and psychosocial well-being. If a Participant is unable to choose for himself or herself, Staff members and Volunteers shall encourage participation and assist when necessary.

SCCR § 61-75.1100(A).

- A. The Facility shall ensure a physician or other Authorized Healthcare Provider conducts a

Physical Examination of the Participant within sixty (60) calendar days prior to enrollment. The Facility shall ensure the Physical Examination includes recommendations regarding limitations of activities, special diet, medications (name, type, dosage, and whether the individual is capable of self-administering), and other considerations to determine whether appropriate services are available. The Facility shall ensure the Participant receives Physical Examinations at least every two (2) years upon enrollment.

SCCR § 61-75.1200(A).

- A. The Facility shall store and safeguard medications in a locked medicine preparation room, cabinet or cart. The Facility shall monitor and attend to medications at all times to prevent access by unauthorized individuals. The Facility shall not store expired or discontinued medications with current medications. The Facility shall ensure storage areas are not located near sources of heat, humidity, or other hazards that may negatively impact medication effectiveness or shelf life.

SCCR § 61-75.1200(B).

- B. The Facility shall store medications requiring refrigeration or freezing in a locked refrigerator or freezer as appropriate at the temperature range established by the manufacturer used exclusively for that purpose. The Facility shall not store food and drinks in the same refrigerator or freezer in which medications and biologicals are stored. The Facility shall provide each refrigerator and freezer with a thermometer accurate to plus or minus two (2) degrees Fahrenheit.

SCCR § 61-75.1300.1301(B).

- B. The Facility shall ensure that meals that are catered to the Facility are obtained from a food service establishment graded by the Department pursuant to R.61–25, and the Facility shall have a written executed contract with the food service establishment.

SCCR § 61-75.1300.1301(D).

- D. The Facility shall maintain at least one (1) hand sink equipped with hot and cold water, liquid soap, and an individualized method of drying hands. The Facility shall ensure handwashing sinks are equipped to provide water at a temperature of at least one hundred (100) degrees Fahrenheit through a mixing valve or combination faucet.

SCCR § 61-75.1300.1302(B).

- B. The Facility shall provide dietary services to meet the daily dietary needs of Participants in accordance with written dietary policies and procedures. The Facility may permit snacks but not in lieu of full meals.

SCCR § 61-75.1300.1304(C).

- C. The Facility shall not permit the use of common drinking cups. The Facility shall ensure unused disposable cups are stored to prevent contamination.

SCCR § 61-75.1400.1401.

The Facility shall develop and maintain a written plan for actions to be taken in the event of a disaster or an emergency evacuation. The Facility shall implement the plan when necessary and at the time of need. The Facility shall make the plan available upon request by Participants, Participants' Sponsors and Responsible Parties, and the Department.

SCCR § 61-75.1400.1402.

The Facility shall maintain and implement a plan that ensures the continuation of essential Participant services for such reasons as power outage and/or water shortage or in the event of the absence from work of any portion of the work force resulting from inclement weather or other causes.

SCCR § 61-75.1500.1501(A).

- A. The Facility shall develop, in coordination with its supporting fire department and/or disaster preparedness agency, suitable written plans for actions to be taken in the event of fire such as fire plan and evacuation plan.

SCCR § 61-75.1500.1502.

The Facility shall maintain and test all fire protection and suppression systems in accordance with the provisions of the codes officially adopted by the South Carolina Building Codes Council and the South Carolina State Fire Marshal applicable to the Facility.

SCCR § 61-75.1500.1503(A).

The Facility shall ensure Staff complete Annual fire response training in accordance with specific duties and responsibilities outlined in their job descriptions. The Facility shall document and maintain the training in the Staff record at the Facility.

- A. The Facility shall ensure the Staff fire response training addresses, at a minimum, the following:
 - 1. Reporting a fire;
 - 2. Use of the fire alarm system, if applicable;
 - 3. Location and use of fire-fighting equipment;
 - 4. Methods of fire containment; and
 - 5. Specific responsibilities, tasks, or duties of each individual.

SCCR § 61-75.1500.1503(B).

- B. The Facility shall maintain a written plan for fire and other emergency evacuations of Participants, Staff members, Volunteers, and visitors that includes evacuation routes and procedures, and shall post the plan in a conspicuous public area in the Facility.

SCCR § 61-75.1500.1504(A).

- A. The Facility shall complete at least one (1) fire drill every month to familiarize all Staff, Volunteers, and Participants with fire safety procedures. The Facility shall maintain records of the fire drills, including date, time, description, and evaluation of the drill, and the names of Staff members, Volunteers, and Participants directly involved in

responding to the drill. If fire drill requirements are mandated by statute or regulation, then the mandated statute or regulation requirements supersede the requirements of this regulation, and the Facility shall comply with the provisions of the statute or regulation.

SCCR § 61-75.1600.1601.

The Facility shall keep all equipment and building components including, but not limited to, carpet and flooring, doors, windows, lighting fixtures, and plumbing fixtures in good repair and operating condition. The Facility shall document preventive maintenance.

SCCR § 61-75.1600.1602.

- A. The Facility shall develop and implement a written preventive maintenance program for all fire alarm, electrical, mechanical, plumbing, fire protection systems and for all equipment and supplies including, but not limited to, all Participant monitoring equipment, isolated electrical systems, conductive flooring, Participant grounding systems, and medical gas systems. The Facility shall check and test the equipment at intervals ensuring proper operation and state of good repair. After repairs and alterations to any equipment or system, the Facility shall thoroughly test the equipment or system for proper operation before returning it to service. The Facility shall maintain records for each piece of emergency equipment to indicate its history of testing and maintenance.
- B. The Facility shall comply with the provisions of the codes officially adopted by the South Carolina Building Codes Council and the South Carolina State Fire Marshal applicable to the Facility.

SCCR § 61-75.1700.1702(B).

- B. Annual Risk Assessment. The Facility shall conduct an Annual tuberculosis risk assessment in accordance with the Centers for Disease Control and Prevention guidelines to guide the Facility's infection control policies and procedures related to the appropriateness and frequency of tuberculosis screening and other tuberculosis related measures to be taken.

SCCR § 61-75.1700.1702(D).

- D. Baseline Status. The Facility shall ensure all Staff and Volunteers have a single Blood Assay for Mycobacterium tuberculosis or a baseline two-step Tuberculin Skin Test prior to Participant Contact in the following manner:
 1. Staff and Volunteers with a documented negative Tuberculin Skin Test or a Blood Assay for Mycobacterium tuberculosis result within the previous twelve (12) months may have a Blood Assay for Mycobacterium tuberculosis or a single Tuberculin Skin Test administered and read to serve as the baseline prior to Participant contact.
 2. Staff or Volunteers without documented negative Tuberculin Skin Test or a Blood Assay for Mycobacterium tuberculosis result within the previous twelve (12) months shall have a Blood Assay for Mycobacterium tuberculosis or the first step of the two-step Tuberculin Skin Test, administered and read prior to Participant contact, with

the administration of the second step seven (7) to twenty (21) calendar days after the first step is read.

SCCR § 61-75.1700.1703.

The Facility shall maintain an adequate supply of clean linen or disposable materials for each sick bed. The Facility shall ensure each sick bed has a clean moisture-proof mattress cover and at least one (1) clean linen change including bottom and top sheets, pillowcase, and a bedspread or coverlet.

SCCR § 61-75.1700.1704(A)(1).

The Facility and its grounds shall be clean, and free of vermin and offensive odors.

- A. The Facility shall ensure that interior housekeeping, at a minimum, includes:
 - 1. Cleaning each specific area of the Facility. . .

SCCR § 61-75.1700.1704(A)(3).

The Facility and its grounds shall be clean, and free of vermin and offensive odors.

- A. The Facility shall ensure that interior housekeeping, at a minimum, includes:
 - 3. Chemicals indicated as harmful on the product label, cleaning materials, and supplies shall be in locked storage areas and inaccessible to Participants. . .

SCCR § 61-75.1700.1704(B).

- B. The Facility shall ensure that exterior housekeeping, at a minimum, includes:
 - 1. Cleaning of all exterior areas, such as, porches and ramps, and removal of safety impediments such as snow and ice;
 - 2. Keeping Facility grounds free of weeds, rubbish, overgrown landscaping, and other potential breeding sources for vermin; and
 - 3. Safe storage of chemicals indicated as harmful on the product label, equipment and supplies inaccessible to Participants.

SCCR § 61-75.1700.1705(A).

- A. The Facility shall ensure garbage and waste collection, storage, and disposal prevent the transmission of disease. The Facility shall wash and sanitize garbage and waste containers prior to returning them to work areas. The Facility shall not reuse disposable garbage or waste containers.

SCCR § 61-75.1700.1705(B).

- B. The Facility shall ensure garbage and waste are covered and stored outside in durable, rust-resistant, non-absorbent, watertight, rodent-proof, easily cleanable containers placed on an approved platform to prevent overturning by animals, the entrance of flies, or the creation of a nuisance. The Facility shall dispose of all solid waste at sufficient frequencies in a manner so as not to create a rodent, insect, or other vermin problem.

SCCR § 61-75.1700.1706.

The Facility shall keep all outside areas, grounds, and/or adjacent buildings free of rubbish, grass, and weeds that may serve as a fire hazard or as a haven for insects, rodents, and other vermin. The Facility shall apply measures that prevent and control insect, rodent, and other vermin harborage, breeding, and infestation on the premises. The Facility shall maintain all stairs, walkways, ramps, and porches, and keep them free from accumulations of water, ice, snow, and any other impediments.

SCCR § 61-75.1700.1707.

- A. The Facility may permit pets that are healthy, free of fleas, ticks, and intestinal parasites, up-to-date on vaccinations, and pre-screened by a veterinarian prior to Participant contact, and present no apparent threat to the health, safety, and well-being of the Participants provided the pets are sufficiently fed and cared for and that both the pets and their housing are kept clean.
- B. The Facility shall ensure pets remain separate from Participants with allergic sensitivities to pets and Participants wanting to avoid pets for any other reason.
- C. The Facility shall not allow pets in the kitchen area. The Facility may permit pets in the Participant dining areas only when food is not being served to Participants. The Facility shall ensure dining areas adjacent to a food preparation or storage area are separated by walls and closed doors while pets are present.

SCCR § 61-75.1900.1901(A).

- A. The Facility shall be planned, designed, and equipped to provide and promote the health, safety, and well-being of each Participant.

SCCR § 61-75.1900.1901(B).

- B. The Facility shall provide rooms to accommodate a variety of programs and Participants served. At a minimum, the Facility shall provide one (1) group activity room and one (1) resting room to accommodate the Participants. The Facility shall ensure the resting room bed ratio is one (1) bed per thirty (30) licensed Participants or fraction thereof. The Facility shall have resting room beds set up and ready to use. The Facility shall not utilize roll-away beds as resting room beds. The Facility shall include private room, cubicle curtains, portable partitions, or other means to ensure privacy of Participants when utilizing the resting room bed. The Facility shall provide adequate storage space for supplies and personal belongings.

SCCR § 61-75.1900.1901(F).

- F. The Facility shall ensure the entrance to the building is at the level of the exit discharge. The Facility shall have a canopy for weather protection inclusive of the vehicle drop-off location to the entrance door.

SCCR § 61-75.1900.1901(G).

- G. The Facility shall have at least two (2) exits remote from each other to exit the building or space.

SCCR § 61-75.2000.2002.

The Facility shall take safety precautions against fire and other hazards when oxygen is dispensed, administered, or stored. The Facility shall post “No Smoking” signs conspicuously inside the Facility and on oxygen cylinders. The Facility shall properly store all cylinders and secure them in place.

SCCR § 61-75.2300(B).

- B. The Facility shall have a written plan to respond to disruptions in water supply that includes a contingency plan to estimate water demands for the entire Facility in advance of significant water disruptions, sewage intrusion, or flooding.

SCCR § 61-75.2400.2402.

- A. The Facility shall maintain all electrical and other equipment free of defects that could be a potential hazard to Participants or Staff. The Facility shall provide safe lighting for individual activities as required by applicable codes.
- B. The Facility shall maintain all electrical installations and equipment in a safe, operable condition in accordance with the applicable codes.
- C. The Facility shall maintain documentation of Annual electrical system inspections by a certified or licensed technician.

SCCR § 61-75.2400.2403.

- A. The Facility shall have ground fault circuit-interrupter protection for all outside receptacles and bathrooms.
- B. The Facility shall provide ground fault circuit-interrupter protection for any receptacles within six (6) feet of a sink or any other wet location. If the sink is an integral part of the metal splashboard grounded by the sink, the entire metal area is considered part of the wet location.

SCCR § 61-75.2500(A).

- A. The Facility shall maintain documentation of Annual heating, ventilation, and air conditioning system inspections by a certified or licensed technician.

SCCR § 61-75.2500(E).

- E. The Facility shall filter and maintain intake air ducts that prevent the entrance of dust, dirt, and other contaminating materials. The Facility shall ensure the system does not discharge in such a manner that would be an irritant to the Participants, Staff, or Volunteers.

SCCR § 61-75.2500(F).

- F. The Facility shall have either operable windows or approved mechanical ventilation in the bathrooms.

SCCR § 61-75.2600.2601(A).

- A. The Facility shall have a signal system consisting of a call button for each bed, bath, and toilet. The Facility shall have a light at or over each resting room visible from the corridor. The Facility shall have an audio-visual master station in a location continuously monitored by Staff or a radio frequency wireless system per the most current version of UL 1069 standards for Emergency Call Systems.

SCCR § 61-75.2600.2601(C).

- C. The Facility shall ensure the signal system activates by pull cord or electronic device. The Facility shall ensure the pull cord hangs to a maximum of four (4) inches above the finished floor.

SCCR § 61-75.2600.2602(B).

- B. The Facility shall equip bathrooms with at least one (1) toilet fixture, toilet paper installed in a holder, a hand sink supplied with hot and cold running water, liquid or granulated soap, single-use disposable paper towels or electric air dryer, and a waste receptacle.

SCCR § 61-75.2600.2608(A).

- A. The Facility shall maintain the physical plant free of fire hazards and impediments to fire prevention.

SCCR § 61-75.2600.2608(C).

- C. The Facility shall ensure that wastebaskets, furniture, window dressings, portable partitions, cubicle curtains, mattresses, and pillows shall be noncombustible, inherently flame-resistant, or treated or maintained flame-resistant in accordance with the applicable codes.

SCCR § 61-75.2600.2608(F).

- F. The Facility shall have floor and wall penetrations by pipes, ducts, and conduits tightly sealed to minimize entry of rodents and insects. The Facility shall ensure joints of structural elements are similarly sealed.

SCCR § 61-75.2600.2608(H).

- H. The Facility shall have floors with no cracks or are uneven in elevation and which are of nonskid surfaces to prevent falls.

South Carolina HCBS Provider Policy Scope of Services – Adult Day Health Care Services

B. Conditions of Participation

- 3. Providers must ensure that participants receive information regarding their rights and responsibilities while under the care of the center. These rights and responsibilities must include the following information:

- a. Information referencing the participant's right to have control over their personal resources while under the care of center
 - b. Information which offers opportunities for interested participants regarding employment
 - c. The assurance of the participants rights of privacy and respect and freedom from coercion and restraint
 - d. Detailed information on how and to whom to file a complaint . . .
- C. Description of Services to Be Provided
- 4. The provider must either provide directly, or make sub-contractual arrangements (only nurses can be sub-contracted), for some but not all the following non-billable services which are included in the daily rate:
 - a. Daily nursing services performed by a RN or under the supervision of a RN as permissible under State law to monitor vital signs as needed; to observe the functional level of the participant and note any changes in the physical condition of each participant; to supervise the administration of medications and observe for possible reactions; to teach positive health measures and encourage self-care; to coordinate treatment plans with the participant and/or family member, the physician, therapist, and other involved service delivery agencies; to supervise the development and implementation of a care plan; to appropriately report to the participant's physician and/or the Case Manager any changes in the participant's condition. The RN must approve the documentation of the services provided.
 - b. Supervision of, assistance with and training in personal care and activities of daily living including dressing, personal hygiene, grooming, bathing and clothing maintenance.
 - c. Daily planned therapeutic activities to stimulate mental activity,
 - d. communication and self-expression. These include reality orientation exercises, crafts, music, educational and cultural programs, games, etc. Participants must be given the opportunity to give input regarding the types of activities they would like to do at the center. They must also have alternative activities available in the event they do not want to participate in the planned activity.
 - e. Outside activities must be offered for individuals attending the center to afford them the opportunity to interact with individuals without disabilities and in the community outside of the center.
 - f. One meal and one snack per day with the meal meeting 1/3 of the daily recommended dietary allowances (RDA) for this age group as adopted by the United States Department of Agriculture. Special diets prescribed by the attending physician must be planned and prepared with consultation from a registered dietitian as needed.
- D. Staffing
- 1. The minimum staffing requirements must be consistent with SCDPH licensing requirements (i.e., one direct-care staff for every eight participants). In addition to

the minimum staffing standards required by SCDPH licensing, the following staffing standards for nurses and case managers apply whenever HCBS waiver participants are present. All nurse staffing and care must be provided in accordance with the South Carolina Nurse Practice Act. If the RN position become vacant, the ADHC Provider must notify SCDHHS at providerdistribution@scdhhs.gov no later than the next business day. The SCDHHS Program Director or designee must approve any deviations from these staffing patterns in writing.

For 1-44 Home and Community-Based waiver ADHC participants: one RN must be present as follows:

1 – 10 participants 2 hours minimum
11 – 20 participants 3 hours minimum
21 – 25 participants 4 hours minimum
26 – 35 participants 5 hours minimum
36 – 44 participants 6 hours minimum

For 45 – 88 Home and Community-Cased waiver ADHC participants:
one RN and one additional RN or LPN must be present for a minimum of five hours whenever Home and Community-Based waiver participants are present.

For 89 – 133 Home and Community-Based waiver ADHC participants:
one RN and two additional RNs or LPNs; or
one RN, one additional RN or LPN and one case manager.
Required nursing and case management staff must be present for a minimum of five (5) hours whenever Home and Community-Based waiver participants are present.

For 134 - or more Home and Community-Based waiver ADHC participants:
one RN and three additional RNs or LPNs; or,
one RN, and two additional RNs or LPNs and one case manager.
Required nursing and case management staff must be present for a minimum of five hours whenever Home and Community-Based waiver participants are present.

4. The provider must check the CNA registry for all staff prior to hire then at least every two years thereafter. A copy of the search results page must be maintained in each employee's personnel file. Anyone on the CNA Registry with a revoked license is not allowed to provide services to waiver participants or participate in any Medicaid funded programs. The website addresses are listed below:

CNA Registry: <https://cna365.examroom.ai/registry/?StateCode=SC>

5. The provider must check the OIG exclusions lists for all staff prior to hire then at least every two years thereafter. A copy of the search results page must be maintained in each employee's personnel file. Anyone on the OIG Registry is not

allowed to provide services to HCBS waiver participants or participate in any Medicaid funded programs. The website address is listed below:

OIG Exclusions List: <https://exclusions.oig.hhs.gov/>

7. A SLED criminal background check is required for all employees prior to hire and at least every two years thereafter to include employees who provide direct care to Medicaid participants and all administrative/office employees (office employees required to have SLED background checks include: administrator, office manager, supervisor, and persons named on organizational chart in management positions). All SLED criminal background checks must include all data for the individual. The SLED criminal background check must include statewide (South Carolina) data. The statewide data must include South Carolina and any other state or states the worker has resided in within the prior ten (10) years. Potential employees must not have prior convictions or have pled no contest (nolo contendere) to crimes related to theft, abuse, neglect, or exploitation of a child or a vulnerable adult for child or adult abuse, neglect or mistreatment, or a criminal offense similar in nature to the crimes listed in S.C. Code Section 43-35-10 et seq. Potential employees with non-violent felonies dating back ten (10) or more years can provide services to Medicaid participants under the following circumstances:
 - a. Participant/responsible party must be notified of the employee's SLED criminal background, i.e., felony conviction, year of conviction.
 - b. Documentation signed by the participant/responsible party acknowledging awareness of the employee's SLED criminal background and agreement to attend the center must be placed in the participant record.

APPENDIX D: INSTANCES OF NONCOMPLIANCE AT EACH FACILITY*

	Health and Safety		Administrative			
Provider	Physical Environment	Participant Welfare	Staffing and Policies	Personnel Records	Participant Records	Total
1	7	3	2	10	1	23
2	6	2	2	1	1	12
3	10	2	2	2	1	17
4	10	4	6	5	4	29
5	7	0	0	2	0	9
6	8	0	5	0	0	13
7	0	0	0	1	0	1
8	1	0	6	2	0	9
9	7	1	2	0	2	12
10	1	1	2	1	0	5
11	3	1	0	0	4	8
12	0	0	0	0	0	0
13	11	3	3	0	2	19
14	1	0	0	0	1	2
15	0	0	0	0	1	1
16	10	2	1	1	1	15
17	5	1	0	6	1	13
18	2	0	0	0	0	2
19	2	4	3	0	0	9
20	1	0	4	0	0	5
Total	92	24	38	31	19	204
* We provided to the State agency under a separate cover the specific facilities reviewed and their specific violations.						

APPENDIX E: ADDITIONAL PHOTOGRAPHS OF NONCOMPLIANCE

Photograph 7: Blocked Exit



Photograph 8: Water Damage and Mold



Photograph 9: Mold in Bathtub



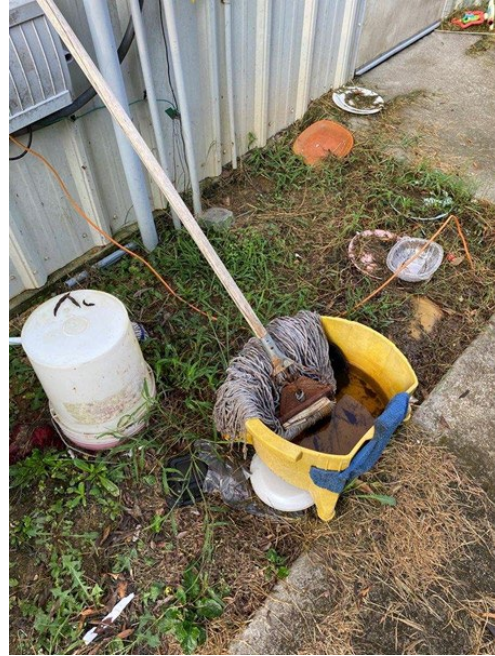
Photograph 10: Unclean Outdoor Space



Photograph 11: Unclean Air Vents



Photograph 12: Rubbish in Yard



Photograph 13: Exit Sign Hanging From Loose Electrical Wiring



Photograph 14: Screw Protruding From Handrail



Photograph 15: Pests



Photograph 16: Insufficient Maintenance



APPENDIX F: STATE AGENCY COMMENTS



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September 19, 2025

Truman M. Mayfield
Regional Inspector General for Audit Services
U.S. Department of Health of Health & Human Services
Office of Inspector General

RE: A-04-24-00137

Dear Mr. Mayfield:

The South Carolina Department of Health and Human Services (SCDHHS) has reviewed the draft report issued by the U.S. Department of Health and Human Services, Office of Inspector General (OIG) entitled, ***“South Carolina Did Not Comply with Federal Waiver and State Requirements at 19 of 20 Adult Day Care Facilities”***.

SCDHHS’ comments are as follows:

South Carolina understands the importance of ensuring the health and safety of Medicaid members using the services provided by Adult Day Care (ADC) facilities. As we stated in our previous discussions, there are two cabinet-level agencies responsible for oversight of these providers.

The responsibilities for these findings fall under two separate agency authorities. The South Carolina Department of Public Health (SCDPH) has the authority to license ADC facilities under South Carolina Code of Regulations §61-75. The SCDHHS verifies that providers initially and continually meet required licensure and/or certification standards and adhere to other standards prior to their furnishing waiver services. Also, SCDHHS monitors non-licensed/non-certified providers to assure adherence to waiver requirements as specified under waiver authority at 42 CFR 441.302. SCDHHS relies on the licensing agency, SCDPH, to ensure providers comply with licensure requirements. Therefore, SCDHHS’ responsibility, pursuant to the waiver, is to ensure ADC providers are licensed in accordance with Regulations §61-75.

The audit report acknowledges this separation of authorities/responsibilities in the Background section. Unfortunately, in using the term “State Agency”, which was defined as SCDHHS, the report conflated the responsibilities of each agency in the Findings section. Multiple references to the State Agency’s responsibilities included corresponding footnotes, which the majority cited SCDPH’s state licensure regulations rather than the SCDHHS waiver application or SCDHHS provider manuals. As explained previously, SCDHHS cannot remediate findings for another agency for which it has no enforcement authority. However, to respond fully to all the findings of the OIG, SCDHHS has included SCDPH’s response to the audit in Attachment A.

SCDHHS offers the following corrective actions to address the OIG's recommendations that refer to findings within the scope and authority of SCDHHS to remediate.

OIG Recommendation 1

Work with the South Carolina Department of Public Health to ensure that providers correct the 204 instances of provider noncompliance identified in this report

Response:

SCDHHS concurs with this recommendation only to the extent of the 24 findings related to the waiver authority. Those findings are discussed below.

- Administrative - Staffing and Policy Issues (21)
 1. Corrective Action – SCDHHS has existing protocols with SCDPH for notification of ADC licensure status. SCDHHS will facilitate interagency meetings with SCDPH to ensure that the identified deficiencies have been corrected.

SCDHHS is updating the HCBS waiver application and policies to clearly speak to requirements that are currently listed in both the state regulation and HCBS waiver application and policies. These updates will ensure that there is no duplication of requirements for compliance monitoring and will reflect that the waiver authority relies on licensure and monitoring of compliance through SCDPH. SCDHHS anticipates these policy changes will be effective no later than March 1, 2026.
- Health & Safety (1) (transportation van was unsafe)
 1. Corrective Action – The transportation van inspected in this audit was not part of the non-emergency medical transportation (NEMT) Broker's provider network, affirming that this van was not used for transportation of a Medicaid member. SCDHHS reimburses ADC transportation services through a Broker System. The Broker is responsible for the administration and provision of NEMT services to eligible ADC Medicaid recipients in accordance with the regulations enforced by the SC Office of Regulatory Staff. SCDHHS will continue to monitor the transportation Broker to ensure that all transport vehicles in use for transportation to/from ADC services are compliant with health and safety requirements.
- Health and Safety - Physical Environment (1) *(the facility did not provide daily nursing services performed by an RN as the RN was only present 3 days each week)*
 1. Corrective Action - SCDHHS is updating the HCBS waiver application provider requirements and policies to clearly speak to requirements that are currently listed in both the state regulation and HCBS waiver application and policies. Nursing services provided in ADCs will continue to be reimbursed for individuals assessed to need those services through the ADHC nursing waiver service.

These updates will ensure that there is no duplication of requirements for compliance monitoring and will reflect that the waiver authority relies on licensure

and monitoring of compliance through SCDPH. SCDHHS anticipates these policies changes will be effective no later than March 1, 2026.

- Administrative: Participant Records (1) *(facility did not have signed written acknowledgment of the Statement of Rights for one participant)*
 1. Corrective Action - SCDHHS is updating the HCBS waiver application and policies to clearly speak to requirements that are currently listed in both the state regulation and HCBS waiver application and policies. These updates will ensure that there is no duplication of requirements for compliance monitoring and will reflect that the waiver authority relies on licensure and monitoring of compliance through SCDPH. SCDHHS anticipates these policies changes will be effective no later than March 1, 2026.

SCDHHS will continue to work with SCDPH to ensure that services of adult day care providers are delivered in safe environments that meet Medicaid Member's needs. However, as previously stated, SCDHHS cannot remediate findings for another agency for which it has no enforcement authority. SCDPH has provided its response to the detailed findings which is provided as Attachment A.

OIG Recommendation 2

Improve its oversight and monitoring of providers

Response:

SCDHHS concurs with this recommendation; however, as stated above, SCDHHS cannot remediate findings for another agency for which it has no enforcement authority. For those findings associated with SCDHHS HCBS Provider Scope of Services, the corrective action is described below.

Only two of the OIG Findings regarding the *"Eighteen Providers did not comply with one or more administrative requirements"*, were related to HCBS Provider Policy Scope of Service:

- Three providers did not have licensed or certified medical personnel on duty for the minimum number of hours per day, as required.
- Nine providers did not conduct criminal background checks, CNA registry checks, or OIG exclusions lists checks for certain staff, as required.

Corrective Action(s)

- SCDHHS is updating the HCBS waiver application and policies to clearly speak to requirements that are currently listed in both the state regulation and HCBS waiver application and policies. These updates will ensure that there is no duplication of requirements for compliance monitoring and will reflect that the waiver authority relies on licensure and monitoring of compliance through SCDPH. SCDHHS anticipates these policies changes will be effective no later than March 1, 2026.

- SCDHHS has initiated compliance reviews for all identified ADC providers within the scope of this audit to ensure they are meeting all SCDHHS waiver scope and policy manual requirements within 6 months of the findings date.
- SCDHHS will conduct provider training with all contracted ADCs within 6 months of the findings date.
- SCDHHS will train the internal monitoring team to appropriately refer licensure issues and/or complaints to SCDPH.
- SCDHHS will share results of compliance reviews with SCDPH to determine program improvement strategies for any administrative findings.
- SCDHHS will facilitate contracted ADC provider education and training opportunities and continue to focus on documentation and the maintenance of employee records.

SCDPH has provided its response to the detailed findings which is provided as Attachment A.

OIG Recommendation 3

Work with providers to improve their facilities, staffing, and training

Response:

SCDHHS concurs with this recommendation; however, as stated above, SCDHHS cannot remediate findings for another agency for which it has no enforcement authority. For those findings associated with SCDHHS, the corrective action is described below.

OIG Findings regarding *“Insufficient Inspections of Facilities Allowed noncompliance with Federal Waiver and State Requirements”* that refer to staff and participant record requirements were in part cited to the HCBS Provider Policy Scope of Service (footnoted as items 23, 24, 25 and 30 on page 7 of the draft report)

Corrective Action(s)

- SCDHHS is updating the HCBS waiver application and policies to clearly speak to requirements that are currently listed in both the state regulation and HCBS waiver application and policies. These updates will ensure that there is no duplication of requirements for compliance monitoring and will reflect that the waiver authority relies on licensure and monitoring of compliance through SCDPH. SCDHHS anticipates these policies changes will be effective no later than March 1, 2026.
- SCDHHS has initiated compliance reviews for all identified providers to ensure they are meeting all SCDHHS waiver scope and policy manual requirements within 6 months of the findings date.
- SCDHHS will conduct provider training with all contracted ADCs within 6 months of the findings date.
- SCDHHS will facilitate interagency meetings with SCDPH to discuss current regulatory requirements, current inspection criteria, and current administrative requirements and to ensure ADC facilities are reviewed for compliance with licensing requirements annually.

- SCDHHS and SCDPH will conduct monthly interagency meetings to review and discuss outliers for compliance with regulatory and scope requirements to determine program improvement strategies for any administrative findings that do not meet at least an 86% threshold during SCDHHS compliance processes.
- SCDHHS will facilitate contracted provider education and training opportunities and continue to focus on documentation and the maintenance of employee records.

SCDPH has provided its response to the detailed findings which is provided as Attachment A.

Thank you for the opportunity to respond to this audit. If you have further questions, please contact me at (803) 898-2504 or Milton German of my staff at 803-898-1051 or at german@scdhhs.gov.

Sincerely,



Eunice Medina
Director

cc: Edward D. Simmer, MD, MPH, DFAPA

Attachment A – SCDPH Response

Attachment A



From the Desk of the Director

Edward D. Simmer, MD, MPH, DFAPA

September 16, 2025

Mr. Aner Sanchez
Assistant Regional Inspector General for Audit Services – Region 4
U.S. Department of Health and Human Services
HHS Office of Inspector General
Office of Audit Services

RE: SCDPH Response to Report Number A-04-24-00137

Dear Mr. Sanchez:

The South Carolina Department of Public Health (SCDPH) has reviewed the draft report titled “South Carolina Did Not Comply with Federal Waiver and State Requirements at 19 of 20 Adult Day Care Facilities.” While this report was directed to the South Carolina Department of Health and Human Services (SCDHHS), several of the issues referenced in the report fall within SCDPH’s purview as the licensing authority over Adult Day Care (ADC) Facilities. SCDPH respectfully submits this response to the recommendations.

SCDPH concurs with the recommendations outlined in the draft report as they pertain to SCDPH. SCDPH is developing comprehensive corrective action plans to address each of the recommendations. SCDPH remains committed to ensuring that all ADC providers in South Carolina comply with applicable State regulations. Through enhanced training, educational materials, and inspections, SCDPH will improve its regulatory oversight of ADCs.

OIG Recommendation No.1: Work with the South Carolina Department of Public Health to ensure that providers correct the 204 instances of provider noncompliance identified in this report.

SCDPH Response to Recommendation No.1: SCDPH will conduct follow-up inspections to ensure that providers correct the instances of state licensing noncompliance identified in the report.

OIG Recommendation No.2: Improve oversight and monitoring of providers.

SCDPH Response to Recommendation No.2: SCDPH concurs with this recommendation as it pertains to SCDPH rules and regulations. SCDPH will implement additional training for its inspectors as well as additional training materials to enhance the training of its inspectors. SCDPH will incorporate into its general annual inspections review of documentation requirements that the Fire and Life Safety team reviews during its inspections, which will increase the frequency with which SCDPH monitors certain Fire and Life Safety compliance issues.

OIG Recommendation No.3: Work with providers to improve their facilities, staffing, and training.

SCDPH Response to Recommendation No.3: SCDPH concurs with this recommendation and is developing training materials to share with ADC providers in need of compliance assistance.

SCDPH appreciates the opportunity to respond to the draft report. If you have additional questions, please contact Russell Morrison at: morriscr@dph.sc.gov

Sincerely,

A handwritten signature in cursive script, appearing to read "E. D. Simmer".

Edward D. Simmer



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