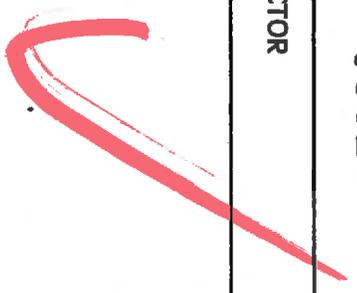


**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR**

**ACTION REFERRAL**

TO <i>Singler</i>	DATE  <i>10-5-01</i>
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<b>DIRECTOR'S USE ONLY</b>	<b>ACTION REQUESTED</b>
1. LOG NUMBER  <i>000184</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR  	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____
	<input type="checkbox"/> FOIA DATE DUE _____
	<input checked="" type="checkbox"/> Necessary Action

<b>APPROVALS</b> <small>(Only when prepared for director's signature)</small>	<b>APPROVE</b>	<b>* DISAPPROVE</b> <small>(Note reason for disapproval and return to preparer.)</small>	<b>COMMENT</b>
1.			
2.			
3.			
4.			

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-01-16  
Baltimore, Maryland 21244-1850



**Centers for Medicaid and State Operations**

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SEP 28 2007

**RECEIVED**

OCT 05 2007

Robert Kerr, Director  
Department of Human Services  
P. O. Box 8206

*Loyi Singelton*  
N/A

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

1801 Main Street  
Columbia, South Carolina 29202-8206

Dear Mr. Kerr:

I am writing with regard to the grant application submitted by the State of South Carolina in response to the Centers for Medicare & Medicaid Services (CMS) Federal Medicaid Transformation grant announcement issued via State Medicaid Director letter dated April 27, 2007. We regret to inform you that your application for Medicaid Transformation grant funding will not be awarded for the following proposal(s):

Transformation Initiatives to Reduce Fraud, Waste and Abuse in the South Carolina Program

We were impressed with the enthusiastic response we received to the grant solicitation. However, given the high quality of applications, it was a very competitive grant review process. Unfortunately, the many proposals exceeded the Federal resources available.

Thank you again for your effort and your commitment to improving the effectiveness and efficiency in providing medical assistance under Medicaid. For a listing of the grantees, please visit the CMS Website at [www.cms.hhs.gov/MedicaidTransGrants](http://www.cms.hhs.gov/MedicaidTransGrants).

Please contact Jessica Kahn at 410-786-9361 with questions. You may also contact me at 410-786-5647.

Sincerely,

*Jean K. Sheil*

Jean K. Sheil  
Director  
Family and Children's Health Programs