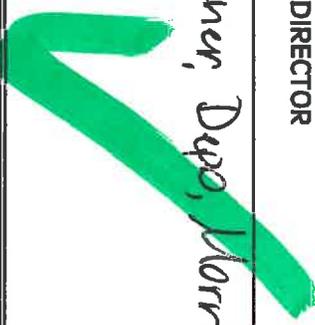


DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Single fax</i>	DATE <i>5/18/09</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>1001647</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____ <input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____ <input type="checkbox"/> FOIA DATE DUE _____ <input checked="" type="checkbox"/> Necessary Action
2. DATE SIGNED BY DIRECTOR <i>cc: Ms. ForKner, Depp, Morrison, CMS files</i>	

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

Department of Health & Human Services
Centers for Medicare & Medicaid Services
61 Forsyth St, SW, Suite 4120
Atlanta, Georgia 30303-8909



May 13, 2009

RECEIVED

MAY 18 2009

Emma Forkner, Director
South Carolina Department of Health and Human Services
P.O. Box 8306
Columbia, SC 29202-8206

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Dear Ms. Forkner:

This is in response to your letter dated April 22, 2009, requesting that the Centers for Medicare & Medicaid Services (CMS) review and approve a proposed Implementation Advance Planning Document Update (IAPDU) to exercise the first option year under the existing contract with Thomson Reuters, Inc. The period of the extension is from July 20, 2009 to July 19, 2010. The additional time will allow South Carolina to complete a competitive re-procurement of the Decision Support System.

The State is requesting approval of \$1,875,000 (Federal Share: \$1,406,250 at 75%) to exercise the one year option period under the existing contract. I am pleased to inform you that CMS approves the Department's request in accordance with 42 CFR Part 433.116, 45 CFR Part 92, 45 CFR Part 95, Subpart F, and the State Medicaid Manual (SMM), Part 11. This approval is effective May 12, 2009 and ends July 19, 2010.

The State is reminded that onsite reviews will be conducted to determine whether or not the objectives for which FFP was approved are being accomplished and whether or not the automatic data processing equipment or services are being efficiently and effectively utilized in support of approved programs or project as provided for at 45 CFR Part 95, Section 621 and the SMM. As provided by the SMM, Section 11200 and by 45 CFR 95.611, all subsequent revisions and amendments to the IAPD for this project will require our prior written approval to qualify for FFP.

If there are any questions concerning this approval, please contact L. David Hinson at (404) 562-7411 or via E-mail at Lawrence.hinson@cms.hhs.gov.

Sincerely,

A handwritten signature in cursive script that reads "Marie J. Justis".

Mary Kaye Justis, RN, M.S.
Acting, Associate Regional Administrator
Division of Medicaid & Children's Health Operations