

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

ACTION REFERRAL

TO <i>Singlethru</i>	DATE <i>12-17-07</i>
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DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER 000293	<input type="checkbox"/> I Prepare reply for the Director's signature DATE DUE _____ <input type="checkbox"/> I 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: Wells, Mrs. Farber</i> <i>WJ</i>			

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

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

CMS
CENTERS for MEDICARE & MEDICAID SERVICES

December 11, 2007

*Ms. Singleton
C. Wells
EF
Nec. Act.*

DEC 17 2007

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 October 30, 2007, requesting that the Centers for Medicare & Medicaid Services (CMS) review and approve a proposed Advance Planning Document (APD) to expand the analytic and consultant support services under the existing contract with Thomson Medstat.

The State is requesting approval of \$1,168,750 (FFP \$876,562) to expand the scope of the existing contract numbered 05-S6803-A11574. 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 November 9, 2007 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 projects 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 APD for this project will require our prior written approval to qualify for FFP. Allowable costs are determined by 42 CFR Part 433.116, 45 CFR Part 92, 45 CFR Part 95, Subpart F, and the SMM, Part 11. Only actual costs incurred are reimbursable. The State must provide adequate support for all costs claimed in addition to providing detailed records and proper audit trails.

I would like to thank you and your staff for your efforts in developing and implementing the South Carolina MedStat expansion project. 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,

Handwritten signature of Hugh Z. Webster in black ink.

Jay Gavens

for
Acting Associate Regional Administrator
Division of Medicaid & Children's Health Operations