


DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Singleton</i>	DATE <i>7-28-09</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>1011055</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc. Ms. Forkever Wells, Myers</i> 	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____
	<input type="checkbox"/> FOIA DATE DUE _____
	<input checked="" type="checkbox"/> Necessary Action

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

**From:** "Jay Smith" <JSmith@scag.gov>  
**To:** <polattyj@scdhhs.gov>  
**CC:** "Sonny Jones" <AGSJONES@scag.gov>, "Rick Hepfer" <Hepfer@scdhhs.gov>  
**Date:** 7/28/2009 11:56 AM  
**Subject:** Baxter and Dey AWP settlement funds  
**Attachments:** Letter to Medicaid re Baxter settlement funds.pdf; Letter to Medicaid re Dey settlement funds.pdf

Attached please find letters from the Attorney General to Emma Forkner concerning funds from our recent settlements with Baxter and Dey. Let me know if you have any questions.

Thanks,  
Jay

Jay W. Smith  
Research Analyst  
South Carolina Attorney General's Office  
1000 Assembly Street, Room 519  
Columbia, SC 29201  
Direct: 803.734.3733  
Work Cell: 803.206.4262  
Fax: 803.734.3677  
jsmith@scag.gov

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C: EF  
WIN  
FM

Mr. Jan  
10/7/28



HENRY McMASTER  
ATTORNEY GENERAL

July 27, 2009

VIA USPS AND EMAIL

Ms. Emma Forkner, Director  
Medicaid Program  
Department of Health and Human Services  
P.O. Box 8206  
Columbia, SC 29202  
[polatty@sscdhhs.gov](mailto:polatty@sscdhhs.gov)

Re: Baxter Average Wholesale Price ("AWP") settlement

Dear Ms. Forkner:

This office has reached a settlement with Baxter concerning the reporting of false and inflated AWP's. I am pleased to inform you that the South Carolina Medicaid Program's portion of the settlement is \$435,783.35. Because fees and costs can only be taken from the state share of Medicaid funds at this time, this \$435,783.35 consists of \$107,855.75 in state share money and \$327,927.60 in federal share money. Tom Osmer, Finance Division Director, will be in contact with your financial office with information concerning the interagency transfer of these funds.

I wish to thank you, Rick Hepfer, Jim Assey, Larry Overbaugh, and the numerous other members of your office who have assisted with this suit, and I look forward to successful cooperation with your office on future matters.

If you have any questions relating to this suit, please contact the attorney in charge of this litigation, Senior Assistant Attorney General C. Havird Jones, Jr. at (803) 734-3680.

Yours very truly,

  
Henry McMaster

HMcM/jws



HENRY McMASTER  
ATTORNEY GENERAL

July 27, 2009

VIA USPS AND EMAIL

Ms. Emma Forkner, Director  
Medicaid Program  
Department of Health and Human Services  
P.O. Box 8206  
Columbia, SC 29202  
[polattyj@scdhhhs.gov](mailto:polattyj@scdhhhs.gov)

Re: Dey Average Wholesale Price ("AWP") settlement

Dear Ms. Forkner:

This office has reached a settlement with Dey concerning the reporting of false and inflated AWP's. I am pleased to inform you that the federal share of the South Carolina Medicaid Program's portion of the settlement is \$1,209,233.03. The state share of the settlement, which is dependent upon the amount of approved costs incurred by our outside counsel, will be sent to you in the near future. The federal share, however, must be transferred to your office now to comply with federal regulations. Tom Osmer, Finance Division Director, will be in contact with your financial office with information concerning the interagency transfer of these funds.

I wish to thank you, Rick Hepfer, Jim Assey, Larry Overbaugh, and the numerous other members of your office who have assisted with this suit, and I look forward to successful cooperation with your office on future matters.

If you have any questions relating to this suit, please contact the attorney in charge of this litigation, Senior Assistant Attorney General C. Havird Jones, Jr. at (803) 734-3680.

Yours very truly,

  
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