

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Singletan</i>	DATE <i>12-13-10</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>1011264</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>CC: Ms. Foraker, Deps, CMS file</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.			<i>Letter dated 12/3/10 Supersede letter dated 12/2/10.</i>
2.			
3.			
4.			

Department of Health & Human Services  
Centers for Medicare & Medicaid Services  
Consortium for Medicare and Children's  
Health Operations  
233 North Michigan Avenue, Suite 600  
Chicago, Illinois 60601



**RECEIVED**

December 3, 2010

DEC 13 2010

Emma Forkner, Director  
Department of Health & Human Services  
P.O. Box 8206  
1801 Main Street  
Columbia, SC 29201-8206

MEDICAID ELIGIBILITY  
& BENEFICIARY SERVICES  
Director

RE: South Carolina Health Information Technology Implementation Advance Planning Document

Dear Ms. Forkner:

This letter is to amend our earlier approval decision dated December 2, 2010, concerning South Carolina's Health Information Technology Implementation Advance Planning Document (HIT IAPD).

Specifically, the Centers for Medicare & Medicaid Services is amending the approval decision to extend authorization of activities and Federal funding under the HIT IAPD through September 30, 2011.

All other terms and conditions of our earlier approval decision remain in effect.

Sincerely,  
  
Jackie Garner  
Consortium Administrator

Department of Health & Human Services  
Centers for Medicare & Medicaid Services  
Consortium for Medicare and Children's  
Health Operations  
233 North Michigan Avenue, Suite 600  
Chicago, Illinois 60601



December 2, 2010

**RECEIVED**

DEC 13 2010

Emma Forkner, Director  
Department of Health & Human Services  
P.O. Box 8206  
1801 Main Street  
Columbia, SC 29201-8206

**MEDICAID ELIGIBILITY  
& BENEFITARY SERVICES  
Director**

RE: South Carolina Health Information Technology Implementation Advance Planning Document

Dear Ms. Forkner:

Thank you for South Carolina's Health Information Technology Implementation Advance Planning Document (HIT IAPD) submitted to the Centers for Medicare & Medicaid Services (CMS) via electronic mail on October 20, 2010. The HIT IAPD was submitted to CMS for review and approval to proceed with certain activities authorized under section 4201 of the American Recovery and Reinvestment Act of 2009 (the Recovery Act), Pub. L. 111-5, and our recently published regulations at 42 CFR Part 495, Subpart D. The Social Security Act, as amended under Section 4201 of the Recovery Act, as well as our final regulations, will allow the payment of incentives to eligible professionals and eligible hospitals to promote the adoption and meaningful use of certified electronic health record (EHR) technology.

CMS is now ready to approve the State's HIT IAPD effective on the date of this letter. Our approval is subject to provisions in regulations at 42 CFR Part 495, Subpart D, and the CMS State Medicaid Director's Letter on August 17, 2010 (SMMD# 10-016).

Specifically CMS is approving total funding for activities described in the State's approved State Medicaid Health Information Technology Plan (SMHP) and HIT IAPD in an amount not to exceed \$2,240,196 (Federal share \$2,019,177). Approval of funding for this phase of the HIT IAPD shall expire on March 31, 2011.

Additionally, we are approving South Carolina's request to continue activities and access to remaining Federal funding approved by CMS in the HIT Planning Advance Planning Document (HIT PAPP) on December 30, 2009, for the ongoing development of the SMHP. Funds for this purpose are approved through April 30, 2011.

All costs identified in this HIT IAPD are understood to be estimated costs only. Allowable costs relating to the Medicaid incentive payment program are determined by CMS regulations and policy

described above. 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.

As required in regulations at 42 CFR 495.340, the State must submit a HIT IAPD update no later than 60 days after the occurrence of project changes including but not limited to any of the following: (1) a projected cost increase of \$100,000 or more; (2) a schedule extension of more than 60 days for major milestones; (3) a significant change in planning approach or implementation approach, or scope of activities beyond that approved in the HIT IAPD; (4) a change in implementation concept or a change to the scope of the project; or, (5) a change to the approved cost allocation methodology. As required in regulations at 42 CFR 495.342, the State must submit an annual HIT IAPD 60 days from the HIT IAPD approved anniversary date.

I wish to congratulate you and your staff on the successful completion of initial HIT planning activities, and approval of the IAPD. CMS appreciates South Carolina's commitment and dedication to implementing this important new program that will lead to improved healthcare for populations served by the Medicaid and Children's Health Insurance Programs.

If there are any questions concerning this information, please contact Mr. Rick Friedman at (410) 786-4451, or via e-mail at [Richard.Friedman@cns.hhs.gov](mailto:Richard.Friedman@cns.hhs.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Jackie Garner", written in a cursive style.

Jackie Garner  
Consortium Administrator

Send via e-mail to

bcc: Jackie Glaze

Rick Friedman

John Allison

Jess Kahn

David Hinson

David Meacham