

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

**ACTION REFERRAL**

TO <i>Singleton/Chavis</i>	DATE <i>6-4-13</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000377</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Mr. Heck, Deps, CMS file</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>6-14-13</i>
	<input type="checkbox"/> FOIA DATE DUE _____
	<input 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.			

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-14-26  
Baltimore, Maryland 21244-1850



Disabled & Elderly Health Programs Group

MAY 30 2013

Mr. Tony Keck, Director  
South Carolina Department of Health & Human Services  
1801 Main Street  
P.O. Box 8206  
Columbia, SC 29201-8206

RECEIVED

JUN 03 2013

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

RE: Implementation of Section 1202 of the Affordable Care Act Primary Care Payment Increase

Dear Mr. Keck:

The Centers for Medicare & Medicaid Services (CMS) has reviewed South Carolina's methodologies submitted on March 28, 2013, and as revised on May 10, 2013, and finds them compliant with the requirements outlined in 42 C.F.R. §438.804(a)(1)(i)-(ii) for purposes of implementing the increase in primary care physician payments in a managed care delivery system.

As South Carolina has elected to reimburse its MCOs for the enhanced primary care payments retroactively on a non-risk basis, the final step to implement the primary care increase and authorize Federal Financial Participation for these payments is to submit contract amendment(s) for approval to ensure compliance with 42 C.F.R. §438.6(c)(5)(vi). The contract amendment must identify the primary care payment increase as a payment arrangement separate and apart from the risk-based capitation payments to its MCOs.

If you require additional technical assistance to complete the implementation process for this provision, please contact Maria Drake in the Atlanta Regional Office at (404) 562-3697 or Nicole Kaufman in the Central Office at (410) 786-6604. In addition, questions may be submitted to [CMCSPPACAQuestions@cms.hhs.gov](mailto:CMCSPPACAQuestions@cms.hhs.gov).

Sincerely,

*Nancy J. Klimon*

Nancy Klimon, DrPH  
Director, Division of Integrated Health Systems

cc: Jackie Glaze  
Shantrina Roberts  
Maria Drake  
Cheryl Wigfall  
Shelia Chavis  
Deirdra Singleton