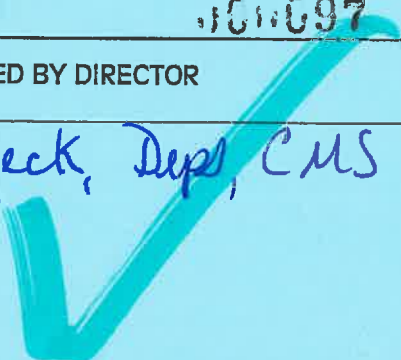


DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Hess</i>	DATE <i>8-26-11</i>
-------------------	------------------------

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>101097</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Mr. Keck, Dept, CMS</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.			



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

Center for Medicaid, CHIP and Survey &
Certification
Financial Management Group
7500 Security Boulevard
Baltimore, MD 21244

Mr. Anthony E. Keck
Executive Director
Department of Health and Human Services
P.O. Box 8206
Columbia, SC 29202-8206

RECEIVED

AUG 26 2011

AUG 18 2011

Dear Sir or Madam:
Finalization Quarter - 1/1/2011 - 3/31/2011

Department of Health & Human Services
OFFICE OF THE DIRECTOR

The grant award listed below has been approved for federal funding for allowable Medicaid expenditures incurred by your State during the period 1/1/2011 - 3/31/2011 under Appropriation 75X0518 Centers for Medicare & Medicaid Services.

Increased Medical Assistance Payments

\$(1,208,739)

This grant award represents funding authorized under the provisions of section 5001 of the American Recovery and Reinvestment Act of 2009 (ARRA, Public Law 111-5, enacted on February 17, 2009 during the recession adjustment period October 1, 2008 through December 31, 2010), that are for the purpose of providing a temporary increase in the Medicaid Federal medical assistance percentage (FMAP) to fund your State's Medicaid program in federal FY 2009. The amount of this grant award only represents the additional amount of funds associated with the increased FMAP determined under ARRA only for the expenditures for which the increased FMAP is available. In a separate grant award you will receive the amount of funds associated with the regular FMAP rate for the expenditures represented by this grant award and the additional Federal funds for the other expenditures for which the Federal matching rate is the regular FMAP or other matching rates.

States' increased FMAPs have been determined in accordance with the provisions of section 5001 of ARRA. The above grant award amount reflects an estimate of the increased funds for your State for the period of the grant award related to the title XIX expenditures for which the increased FMAP is available.

With the acceptance of this grant award and draw of such funds from the Payment Management System subaccount, you agree that :

- 1) Your State is eligible for the increased FMAP because the State is applying Medicaid eligibility standards, methodologies and procedures that are no more restrictive than those in effect under the State plan (or any waiver or demonstration project) on July 1, 2008. If the State is currently ineligible because it does not meet this condition, the State may be retroactively eligible if it reinstates the former standards, methodologies and procedures prior to July 1, 2009. (Section 5001(f)(1) of ARRA)
- 2) Your State is eligible for the increased FMAP because no amounts attributable (directly or indirectly) to such increased FMAP are deposited or credited to any reserve or rainy day fund of the State. (Section 5001(f)(3) of ARRA)
- 3) In the case of a State that requires political subdivisions within the State to contribute toward the non-Federal share of expenditures under the Medicaid program, the State shall not be eligible for an increase in its FMAP under section (b) or (c) of section 501 of ARRA, if it requires such political subdivisions to contribute a greater percentage of the non-Federal share of such expenditures, or a greater percentage of the non-Federal share of payments under section 1923 of the Social Security Act (the Act) than the respective percentages that would have been required under the State Medicaid plan, State law, or both, as in effect on September 30, 2008, without regard to such increase. Voluntary contributions by a political subdivision to the non-Federal share of expenditures under the State plan under this title or to the non-Federal share of payments under section 1923 of the Act shall not be considered to be required contributions for purposes of this ARRA provision. (Section 501(g)(2) of ARRA, as modified by section 1905(cc) of the Act as amended by section 10201(c)(6) of the Affordable Care Act.)
- 4) The expenditures for which the State draws funds are of a type that would be eligible expenditures. Expenditures for disproportionate share hospital (DSH) payments are ineligible. Also ineligible are expenditures that are claimed based on the enhanced FMAP (described in section 2105(b) of the Act), or expenditures that are not paid based on the FMAP, such as expenditures for family planning services, administrative expenditures. Expenditures for services provided through an Indian Health Service facility are ineligible because such expenditures receive 100 percent FMAP, which is the ceiling level. And expenditures for medical assistance provided to individuals made eligible because of increased income eligibility standards that are higher than those in effect on July 1, 2008 are also ineligible for the increased FMAP. (Section 5001(e) of ARRA).
- 5) The expenditures for which the State draws funds are not payments for health care practitioner claims, or certain nursing home and hospital claims, that were received by the State during periods in which the State is not in compliance with prompt payment standards. (Section 5001(f)(2) of ARRA)

With the acceptance of this award, you agree to be responsible for limiting the drawing of Federal funds so as to minimize Federal cash on hand in accordance with policies established in Treasury Circular 1075 (Revised) and procedures established by the Department of Health and Human Services. You also agree to submit timely reports as required. Withdrawals of Federal funds are not to exceed the individual programmatic grant awards shown above. You also are required to provide for effective control over the accountability for all

Federal funds as stated in Office of Management and Budget Circular No. 1075 (Revised). Failure to adhere to the above requirements may cause the unobligated portion of your letter-of-credit to be revoked. Part 92, Title 45, Code of Federal Regulations implements these circulars for this Department.

Any questions you may have in connection with this grant award should be referred to the appropriate Centers for Medicare & Medicaid Services Regional Office financial contact for your State.

Payment under this award will be made by the Department of Health and Human Services, Payment Management System administered by the Division of Payment Management (DPM), Program Support Center (PSC). Inquiries regarding payment should be directed to:

Director, Division of Payment Management
Post Office Box 6021
Rockville, Maryland 20852-0605

Telephone Number 1-877-614-5533

Please transmit a copy of this grant award document to the State official authorized to request funds from the Division of Payment Management.

Sincerely yours,


Director,
Division of Financial Operations

Enclosures 7
CMS -L151(7-90)

AUG 18 2011

STATE:	SOUTH CAROLINA			
FISCAL YEAR	2 0 1 1			
QUARTER	1ST <input type="checkbox"/>	2ND <input type="checkbox"/>	3RD <input type="checkbox"/>	4TH <input checked="" type="checkbox"/>

COMPUTATION OF AMOUNTS FOR ARRA MEDICAL ASSISTANCE
GRANTS UNDER SECTION 5001 UNDER TITLE XIX OF THE
SOCIAL SECURITY ACT

1. ADJUSTMENTS FOR QUARTER
ENDED MARCH 31, 2011

ARRA MEDICAL ASSISTANCE PAYMENTS
\$ 0

A. ACTUAL FEDERAL SHARE OF
EXPENDITURES.....

0

B. ESTIMATED FEDERAL SHARE OF
EXPENDITURES PREVIOUSLY FUNDED....

0

C. DIFFERENCE.....

0

D. NET ADJUSTMENTS APPLICABLE TO
PRIOR PERIODS.....

A. (1,208,739)

E. COLLECTIONS.....

0

F. OTHER.....

B. (1,208,739)

2. ESTIMATED FEDERAL SHARE OF
EXPENDITURES FOR QUARTER

C.

3. NET AMOUNT TO BE CERTIFIED.....

\$ (1,208,739)

TOTAL AMOUNT TO BE CERTIFIED.....

\$ D. (1,208,739)

DATE APPROVED AUG 18 2011

COMPUTATION PREPARED BY

INTERNAL TRANSMITTAL NO. A-8

COMPUTATION REVIEWED BY

Khia Capington
Del

STATE SOUTH CAROLINAQUARTER/FISCAL YEAR **FOURTH/2011**

CENTRAL REGISTRY SYSTEM

ENTITY IDENTIFICATION NUMBER (CRS/EIN) **157-600-0286-Z3**

[illegible]

AUG 18 2011

FOOTNOTES

STATE: **SOUTH CAROLINA**

QUARTER/FISCAL YEAR: **FOURTH/2011**

A.	MAP	
	\$	0
		(6,850,622)
	\$	(6,850,622)
		5,641,883
	\$	(1,208,739)
		INCREASING CLAIMS PRIOR TO 04/01/09
		INCREASING CLAIMS AFTER TO 03/31/09
		TOTAL INCREASING CLAIMS.
		DECREASING CLAIMS
		NET ADJUSTMENT

B. SEE ATTACHMENTS 1 THRU 4.

C. NO GRANT AWARD BASED ON THE ESTIMATE OF INCREASED MAP EXPENDITURES UNDER SECTION 5001 ARRA FOR THE FOURTH QUARTER FISCAL YEAR 2011 WAS ISSUED JULY 1, 2011 AS PROGRAM FUNDING ENDED JUNE 30,2001.

D. THE FUNDING AUTHORIZED BY THIS GRANT AWARD IS PAID SUBJECT TO ANY FUTURE FINANCIAL MANAGEMENT REVIEW OR AUDIT.

IN ACCORDANCE WITH SECTION 5001 OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA), THIS GRANT REPRESENTS THE RECONCILED ADJUSTMENT TO THE INCREASED FMAP GRANT AWARD FOR THE PRIOR PERIOD ADJUSTMENTS BASED ON THE AMOUNTS REPORTED ON THE CMS-84 AS SUBMITTED BY YOUR STATE PRIOR TO SECOND QUARTER OF FY2011 TO THE EXTENT AVAILABLE FOR THAT PERIOD.

A SEPARATE GRANT AWARD FINALIZATION WILL BE ISSUED FOR INCREASED-FMAP EXTENSION EXPENDITURES

AUG 18 2011

Medical Assistance Payments (MAP) Increased
Funding - Title XIX under Section 5001 ARRA

STATE: SOUTH CAROLINA

QUARTER/FISCAL YEAR:

FOURTH/2011

<u>CMS-64 Summary</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>TOTAL</u>
Line 6	\$	\$ -	\$ -	-
Line 7		-	-	-
Line 8		755,525	(7,606,147)	(6,850,622)
Line 9		-	-	-
Line 10 A. & B.		(762,337)	6,404,220	5,641,883
Line 10 C.		-	-	-
Net Expenditures	\$ -	\$ (6,812.00)	\$ (1,201,927)	\$ (1,208,739)
Less: ARRA MCHIP				
DSH ARRA	-	-	-	-
Net Map Expenditures	\$ -	(6,812.00)	(1,201,927)	\$ (1,208,739)
<u>Adjustments</u>				
Transfers				
Line 10b Adjustments				
<u>Deferral Taken</u>				
<u>Disallowances</u>				
Subtotal	\$ -	\$ (6,812.00)	\$ (1,201,927)	\$ (1,208,739)
Interest on				
Disallowances				
Other			-	-
Interest on Drug Rebates			-	-
CMP			-	-
Adjusted Funding	\$ -	\$ (6,812.00)	\$ (1,201,927)	\$ (1,208,739)
Less: Federal Advances			-	-
Total Funding	\$ -	\$ (6,812.00)	\$ (1,201,927)	\$ (1,208,739)

AUG 18 2011

Medical Assistance Payments (MAP) Increased
Funding - Title XIX under Section 5001 ARRA
FY 2011

STATE: SOUTH CAROLINA

QUARTER/FISCAL YEAR: FOURTH/2011

CMS-64 Summary	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total
Line 6	\$	\$	\$	\$	\$ -
Line 7					-
Line 8	(7,606,147)				(7,606,147)
Line 9					-
Line 10 A. & B.	6,404,220				6,404,220
Line 10 C.					-
Net Expenditures	\$ (1,201,927)	\$ -	\$ -	\$ -	\$ (1,201,927)
Less:					
Waivers					-
M-CHIP	-				-
Net MAP Expenditures	\$ (1,201,927)	\$ -	\$ -	\$ -	\$ (1,201,927)
Adjustments					
Transfers					-
Line 10 Adjustments					-
Deferrals Taken					-
					-
Disallowances					-
					-
Subtotal	\$ (1,201,927)	\$ -	\$ -	\$ -	\$ (1,201,927)
Interest on					
Disallowances					-
Other					-
Interest on Drug Rebates					-
CMP					-
					-
Adjusted Funding	\$ (1,201,927)	\$ -	\$ -	\$ -	\$ (1,201,927)
Less: Federal Advances					-
Total Funding	\$ (1,201,927)	\$ -	\$ -	\$ -	\$ (1,201,927)

Medical Assistance Payments (MAP) Increased
Funding - Title XIX under Section 5001 ARRA
FY 2010

STATE: SOUTH CAROLINA

QUARTER/FISCAL YEAR: FOURTH/2011

CMS-64 Summary	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total
Line 6	\$	\$	\$	\$	\$ -
Line 7					-
Line 8				755,525	755,525
Line 9					-
Line 10 A. & B.		(1,523)	(914)	(759,900)	(762,337)
Line 10 C.					-
Net Expenditures	\$ -	\$ (1,523)	\$ (914)	\$ (4,375)	\$ (6,812)
Less:					
Waivers					-
M-CHIP					-
DSH ARRA					-
Net MAP Expenditures	\$ -	\$ (1,523)	\$ (914)	\$ (4,375)	\$ (6,812)
Adjustments					
Transfers					-
Line 10 Adjustments					-
Deferrals Taken					-
					-
Disallowances					-
					-
Subtotal	\$ -	\$ (1,523)	\$ (914)	\$ (4,375)	\$ (6,812)
Interest on					
Disallowances					-
Other					-
Interest on Drug Rebates					-
CMP					-
					-
Adjusted Funding	\$ -	\$ (1,523)	\$ (914)	\$ (4,375)	\$ (6,812)
Less: Federal Advances					-
Total Funding	\$ -	\$ (1,523)	\$ (914)	\$ (4,375)	\$ (6,812)

AUG 18 2011

Medical Assistance Payments (MAP) Increased
Funding - Title XIX under Section 5001 ARRA
FY 2009

STATE: SOUTH CAROLINA

QUARTER/FISCAL YEAR: FOURTH/2011

CMS-64 Summary	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total
Line 6	\$	\$	\$	\$	\$ -
Line 7					-
Line 8					-
Line 9					-
Line 10 A. & B.					-
Line 10 C.					-
Net Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Less:					
Waivers					-
M-CHIP					-
DSH ARRA					-
Net MAP Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments					
Transfers					-
Line 10 Adjustments					-
Deferrals					-
Taken					-
Disallowances					-
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on Disallowances					-
Other Drug Overdue					-
Interest on Drug Rebates					-
Adjusted Funding	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Federal Advances					-
Total Funding	\$ -	\$ -	\$ -	\$ -	\$ -

AUG 18 2011