

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

TO	DATE
<i>Bosling</i>	<i>7-12-07</i>

DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER	000021	I <input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____	
2. DATE SIGNED BY DIRECTOR	_____	I <input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____	
cc: <i>Singleton, Wells,</i> <i>File</i>		I <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  
61 Forsyth St., SW, Suite 4T20  
Atlanta, Georgia 30303-9909

CENTERS for MEDICARE & MEDICAID SERVICES

**CMS**

July 2, 2007

*log: Bowling*  
*c: Singleton*  
*Wills*  
**REC'D**  
*NEC. RETURN*

JUL 12 2007

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

Susan B. Bowling, Acting Director  
South Carolina Department of Health and Human Services  
P.O. Box 8306  
Columbia, SC 29202-8206

Dear Ms. Bowling:

This is in response to your letter dated June 21, 2007, requesting that the Centers for Medicare & Medicaid Services (CMS) review and approve a proposed Advance Planning Document Update (APDU) for the procurement of "front-end" operational services associated with the Medicaid Management Information System (MMIS) located at Clemson University.

The State is requesting approval of \$10,724,000 (Federal Share \$7,276,359 at 75/25, \$511,094 at 50/50; total \$7,787,453) to extend the current contract with Blue Cross Blue Shield of South Carolina (BCBSSC) 12 months with a new expiration date of June 25, 2008. During the period of this extension the State will competitively procure a replacement vendor for these services.

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 June 29, 2007 and ends of June 25, 2008.

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 project 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 APDU for this project will require our prior written approval to qualify for FFP. In addition, continued Federal funding of the "front-end" replacement project is contingent upon:

- (1) The submission of a Implementation Advance Planning Document (IAPD) and Request For Proposal (RFP) which is based upon the replacement vendor assuming "front end" operations on or before June 26, 2008.

In any event, authorization of Federal funding for the "front-end" replacement project will expire on June 25, 2008. I would like to thank you and your staff for your efforts in developing and implementing the "front end" replacement 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](mailto:Lawrence.hinson@cms.hhs.gov).

Sincerely,

A handwritten signature in cursive script that reads "Renard L. Murray".

Renard L. Murray, D.M.  
Associate Regional Administrator  
Division of Medicaid & Children's Health Operations