

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR**

ACTION REFERRAL

TO <i>Wells</i>	DATE <i>10/3/06</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>600289</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>[Signature]</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

7500 Security Boulevard
Baltimore, MD 21244

RECEIVED

Mr. Robert M. Kerr
Executive Director
Department of Health and Human Services
P.O. Box 8206
Columbia, S.C. 29202-8206

OCT 03 2006

Department of Health & Human Services
OFFICE OF THE DIRECTOR

OCT 1 2006

SEE FUNDING RESTRICTION ATTACHMENT

Dear Sir or Madam:

The grant awards listed below have been approved for the period 10/01/2006 - 12/31/2006 under Appropriation 75X0512 Centers for Medicare & Medicaid Services. Any unused grant award authority may be carried forward and used in a subsequent period.

Medical Assistance Payments	\$657,491,000
Medicaid State Children's Health Insurance Program Payments	\$0
Administration Payments	\$13,873,000
Total Grant Awards	\$671,364,000

The above listed grant awards provide Federal funds for expenditures made in accordance with your State plan approved under Title XIX of the Social Security Act. Computation of the awards is shown on the enclosed statement.

With the acceptance of these awards, 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 the 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. Inquiries regarding payment should be directed to:

Director, Division of Payment Management Telephone Number (301) 443-1660
Post Office Box 6021
Rockville, Maryland 20852-0605

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,

A. Stephen Rose
Director,
Division of Financial Management

FORM CMS-L151
SUPPORTING SCHEDULES

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

OCT 1 2006

FUNDING RESTRICTIONS

THIS GRANT AWARD IS FOR ELIGIBLE PROGRAM COSTS FOR THE QUARTER
BEGINNING OCTOBER 1, 2006 INCLUDING PRIOR QUARTER ADJUSTMENTS.
FUNDING UNDER THIS AWARD MAY NOT BE DRAWN OR PAID UNTIL OCTOBER
1, 2006.

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

STATE	South Carolina			
FISCAL YEAR	2	0	0	7
QUARTER	<input checked="" type="checkbox"/> 1ST	<input type="checkbox"/> 2ND	<input type="checkbox"/> 3RD	<input type="checkbox"/> 4TH

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

	MEDICAL ASSISTANCE PAYMENTS	M-SCHIP PAYMENTS	ADMINISTRATION PAYMENTS
1. ADJUSTMENTS FOR QUARTER ENDED June 30, 2006			
A. ACTUAL FEDERAL SHARE OF EXPENDITURES.....	0	0	0
B. ESTIMATED FEDERAL SHARE OF EXPENDITURES PREVIOUSLY FUNDED.....		0	
C. DIFFERENCE.....	0	0	0
D. NET ADJUSTMENTS APPLICABLE TO PRIOR PERIODS.....			
E. COLLECTIONS.....			
F. OTHER.....			
G. TOTAL ADJUSTMENTS.....	A. 0	A. 0	A. 0
2. ESTIMATED FEDERAL SHARE OF EXPENDITURES FOR QUARTER BEGINNING October 1, 2006	B. 657,491,000	B. 0	B. 13,873,000
3. NET AMOUNT TO BE CERTIFIED.....	\$ 657,491,000	0	\$ 13,873,000

TOTAL AMOUNT TO BE CERTIFIED.....

\$C. 671,364,000

DATE APPROVED OCT 1 2006

COMPUTATION CHECKED BY

[Signature]

INTERNAL TRANSMITTAL NO. 2

[Signature]

FOOTNOTES

OCT 1 2006

STATE South Carolina QUARTER/FISCAL YEAR First/2007

- A. Adjustments to Medical Assistance Payments and Administration for the quarter ended June 30, 2006 are not included in this grant computation. These adjustments will be included in a supplemental grant award.
- B. See attachment 1.
- C. The funding authorized by this grant award is paid subject to any future financial management review or audit.

This grant may include funding that relates to a state plan amendment submitted by the state, but not yet approved by the Centers For Medicare & Medicaid Services (CMS). If the pending plan amendment is not subsequently approved with an effective date covering the funding included in this grant award, that funding is subject to recovery by CMS.

CALCULATION OF INITIAL AWARD

STATE: South Carolina

QUARTER/FISCAL YEAR:

First/2007

	MEDICAL ASSISTANCE PAYMENTS	M-SCHIP PAYMENTS	ADMINISTRATION PAYMENTS
Secretary's Estimate of Funding Need for the Quarter	\$ 657,491,000	\$ 0	\$ 13,873,000

Less:

SPR Penalty, Attachment _____	XXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXX	_____
MEQC Penalty, Attachment _____	_____	XXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXX
Third Party Liability/Assignment of Rights-Billing Offset Attachment _____	XXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXX	_____
Part A (Buy-In) Premiums Attachment _____	_____	XXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXX
Part B (Buy-In) Premiums Attachment _____	_____	XXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXX
Part A Interest Attachment _____	_____	XXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXX
Part B Interest Attachment _____	_____	XXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXX

FUNDING ADJUSTMENT	_____	_____	_____
Adjusted funding for the quarter	\$ 657,491,000	\$ 0	\$ 13,873,000
Amount Previously Funded	_____	_____	_____
Net Amount of Funding	\$ <u> 657,491,000 </u>	\$ <u> 0 </u>	\$ <u> 13,873,000 </u>