


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

**ACTION REFERRAL**

TO <i>Myers</i>	DATE <i>6-15-09</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOC NUMBER <i>100587</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <i>6-23-09</i>
2. DATE SIGNED BY DIRECTOR <i>CC: Ms. Forkner, Depo, CHS files</i>  <i>Extend until 6/30/09, e-mail attached.</i>	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____ <input type="checkbox"/> FOIA DATE DUE _____ <input type="checkbox"/> Necessary Action

APPROVALS <small>(Only when prepared for director's signature)</small>	APPROVE	* DISAPPROVE <small>(Note reason for disapproval and return to preparer.)</small>	COMMENT
1.			
2.			
3.			
4.			

**RECEIVED**

JUN 15 2009

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

**From:** Emma Forkner  
**To:** Jan Polatky  
**Date:** 6/15/2009 3:52 PM  
**Subject:** Fwd: State Action Required, CHIPRA  
**Attachments:** StActRqdCSC.pdf

we will need to log this letter.

Emma Forkner  
Director  
Department of Health and Human Services  
1801 Main Street  
Columbia, South Carolina 29201  
(803) 898-2504  
(803) 255-8338 fax

>>> "Bacon, Bridgett (CMS/CMCHO)" <Bridgett.Bacon@CMS.hhs.gov> 6/15/2009 2:22 PM >>>  
<<StActRqdCSC.pdf>>

**Centers for Medicare and Medicaid Services**

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Department of Health & Human Services  
Centers for Medicare & Medicaid Services  
61 Forsyth Street, SW, Suite 4120  
Atlanta, Georgia 30303-8909



June 15, 2009

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JUN 15 2009

Emma Forkner, Director  
South Carolina Department of Health & Human Services  
1801 Main Street  
Columbia, South Carolina 29201

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

RE: STATE ACTION REQUIRED, CHIPRA

Dear Ms. Forkner:

Section 6044 of the DRA amended the Social Security Act (the Act) to add a new section 1937. Section 1937 provided the authority for States to provide for medical assistance to certain beneficiaries through enrollment in benchmark or benchmark-equivalent coverage plans. CHIPRA includes two technical changes to the DRA that affect benchmark and benchmark-equivalent plans.

First, section 611(a)(1)(C) and section 611(a)(3) of CHIPRA amend section 1937 of the Act to require States to assure that children under the age of 21, rather than only those under 19 as originally specified in the DRA, who are included in benchmark or benchmark-equivalent plans, have access to the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services. EPSDT services may be provided through a benchmark or benchmark-equivalent plan or as an additional benefit to those plans under section 1937 of the Act.

Next, section 611(a)(1)(A)(i) of CHIPRA amends section 1937 of the Act by changing the language that originally read “Notwithstanding any other provision of this title...” to read “Notwithstanding section 1902(a)(1)(relating to statewideness), section 1902(a)(10)(B) (relating to comparability), and any other provision of this title which would be directly contrary to the authority...”. This change in the law clarifies that the authority under section 1937 to deviate from otherwise applicable Medicaid requirements is limited. Pursuant to section 1902(a)(4) of the Act and 42 CFR section 431.53, assurance of necessary emergency and non-emergency transportation for beneficiaries to and from providers is a mandatory State plan requirement. Since assurance of necessary transportation would not conflict with the offering of benchmark or benchmark-equivalent benefit packages as authorized by section 1937, the assurance of transportation remains applicable even when the State has elected the 1937 option and regardless of whether it is or is not a covered benefit under a benchmark or benchmark-equivalent benefit plan.

States have several options when assuring transportation for beneficiaries enrolled in a benchmark or benchmark-equivalent plan. States may provide transportation as an additional State plan service under 1937 of the Act and receive Federal Financial Participation (FFP) at the Federal matching rate designated for that State for covered Medicaid services (FMAP rate). If transportation or some portion of the transportation provided for beneficiaries enrolled in a benchmark or benchmark-equivalent plan is not covered under 1937 of the Act then such transportation must be claimed as an administrative expense at the 50% Federal matching rate. It should be noted that in claiming transportation as a medical service under 1937, the State must adhere to the general Medicaid requirements which pertain to claiming transportation as a medical service, such as covering transportation-related services and only claiming direct vendor payments.

Since these changes are effective as if they were originally included in the DRA, they should be implemented as quickly as possible to minimize any negative impact on beneficiaries and to bring the affected States into compliance.

South Carolina has been identified as a State who does currently not meet either of these provisions. Therefore, the State should submit to the Atlanta Regional Office, within 30 days of the receipt of this letter, a plan describing how the State intends to meet the requirement to cover full EPSDT services for 19 and 20 year olds, how they will operationalize the plan, and a timeline for said plan. EPSDT services may be provided through a benchmark or benchmark-equivalent benefit plan or as an additional benefit under section 1937 of the Act. If you or your staff has any questions concerning these changes to the authority to provide benchmark and benchmark-equivalent benefit plans under section 1937 of the Act, please contact your CMS State Representative.

The State should also submit, within the same timeframe, a plan describing how the State intends to meet the requirement to provide necessary transportation for beneficiaries to and from covered medical services, how they will operationalize the plan, and a timeline for said plan.

If you would like to discuss this issue, please do not hesitate to contact us.

Sincerely,



Mary Kaye Justis, RN. MBA  
Acting Associate Regional Administrator  
Division of Medicaid & Children's Health Operations

CC: Tandra Hodges

**Centers for Medicare and Medicaid Services**

Department of Health & Human Services  
Centers for Medicare & Medicaid Services  
61 Forsyth Street, SW, Suite 4120  
Atlanta, Georgia 30303-8909



June 15, 2009

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JUN 22 2009

Emma Forkner, Director  
South Carolina Department of Health & Human Services  
1801 Main Street  
Columbia, South Carolina 29201

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

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If you would like to discuss this issue, please do not hesitate to contact us.

Sincerely,



Mary Kaye Justis, RN. MBA  
Acting Associate Regional Administrator  
Division of Medicaid & Children's Health Operations

CC: Tandra Hodges

**From:** Felicity Myers  
**To:** Annmarie McCanne; Margarete Keller  
**Date:** 6/22/2009 3:04 pm  
**Subject:** Re: Fwd: Log 687- Extension Requested

**CC:** Brenda James  
Brenda, Please grant extension

>>> Annmarie McCanne 6/22/2009 11:37 AM >>>  
Felicity - See the request for extension below. Please advise.

Thanks,  
Annie

Annmarie "Annie" McCanne  
Administrative Assistant  
Bureau of Care Management & Medical Support Services  
Phone 803-898-0178  
Fax 803-255-8232  
[mccanne@scdhhs.gov](mailto:mccanne@scdhhs.gov)

>>> Mary Cooper 6/19/2009 1:56 PM >>>  
Extension requested.

Reason- Answer to this log is contingent upon conference call executive staff has with CMS on next week.  
Roy is requesting that log be extended one week (June 30th). Thanks.

Mary Cooper, Administrative Assistant  
to Roy Hess, Division Director  
Division of Care Management  
(803) 898-4614 / Fax (803) 255-8232

-> Larry  
(6-16)

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

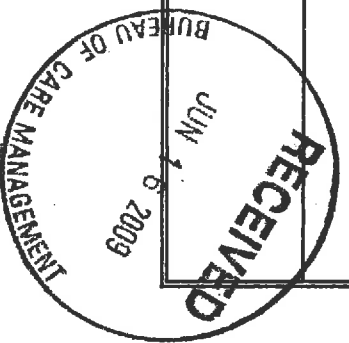
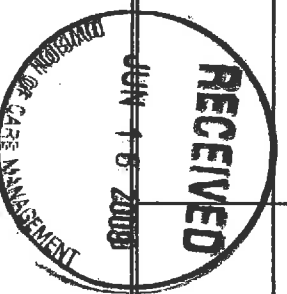
ACTION REFERRAL

Clear this out -  
hand upon the  
conf. call bill  
6/25/09

TO <i>Myers/Hamilton <del>Fosse</del></i>	DATE <i>6-15-09</i>
--	------------------------

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOC NUMBER <i>100687</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <i>6-23-09</i>
2. DATE SIGNED BY DIRECTOR <i>cc. Ms. Forkner, Depo</i>	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____ <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. <i>Ang Hess</i>			
2. <i>Beverly Hamilton</i>			
3. <i>Felicity Myers</i>			
4.			





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**From:** Emma Forkner  
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Centers for Medicare and Medicaid Services

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CENTERS for MEDICARE & MEDICAID SERVICES

June 15, 2009

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