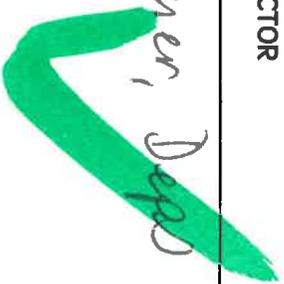


**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR**

ACTION REFERRAL

TO <i>Singhler</i>	DATE <i>6-3-09</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>100670</i>	I <input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Ms. For Luer, Dept</i> 	I <input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____
	I <input type="checkbox"/> FOIA DATE DUE _____
	I <input checked="" 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.			

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



May 28, 2009

RECEIVED

JUN 08 2009

Emma Forkner, Director
South Carolina Department of Health and Human Services
P.O. Box 8306
Columbia, SC 29202-8206

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Dear Ms. Forkner:

This is in response to your letter dated April 27, 2009, requesting that the Centers for Medicare & Medicaid Services (CMS) review and approve a proposed Implementation Advance Planning Document (IAPD) update to execute the fifth, one year option for Medicaid Management Information Systems (MMIS) operations and to complete a Medicaid Information Technology Architecture self assessment with Clemson University.

The State is requesting approval of \$10,579,712 (\$1,569,954 at 90 percent; \$4,536,728 at 75 percent; \$252,307 at 50 percent; Total Federal Financial Participation (FFP): \$7,592,979). 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 July 1, 2009 and ends June 30, 2010.

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 projects 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 APD for this project will require our prior written approval to qualify for FFP. Allowable costs are determined by 42 CFR Part 433.116, 45 CFR Part 92, 45 CFR Part 95, Subpart F, and the SMM, Part 11. Only actual costs incurred are reimbursable. The State must provide adequate support for all costs claimed in addition to providing detailed records and proper audit trails.

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.

Sincerely,

A handwritten signature in cursive script that reads "Mary Kaye Justis".

Mary Kaye Justis, RN, M.S.

Acting, Associate Regional Administrator
Division of Medicaid & Children's Health Operations