

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

**ACTION REFERRAL**

<b>TO</b> <i>Wells</i>	<b>DATE</b> <i>7-20-07</i>
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<b>DIRECTOR'S USE ONLY</b>	<b>ACTION REQUESTED</b>
1. LOG NUMBER  <i>000037</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR  <i>cc: Bowling, File</i>	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____
	<input type="checkbox"/> FOIA DATE DUE _____
	<input checked="" type="checkbox"/> Necessary Action

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

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



July 16, 2007

*Log Wells  
cc Bowling,  
M/A*

**RECEIVED**

JUL 20 2007

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

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

RE: MCO Standard Contract (Total Carolina Care, Inc.) for 2007

Dear Ms. Bowling:

We have reviewed the proposed 2007 Medicaid MCO standard contract. We found that the contract, which includes the capitation rates, rate range, and methodology that was certified by the actuary, meets the requirements contained in 42 CFR 438 effective August 13, 2003. Based on our review of the submitted documents and information provided by your staff, we approve the contract. The effective date is April 1, 2007, through December 31, 2007.

If any future actuarial study or financial review reveals inaccuracies in the submitted capitation rate cost data, we reserve the right to recover the federal share of any unallowable costs resulting from the inaccuracies. In addition, if errors in the rates are later determined, you will be required to adjust your quarterly expenditure report to the Centers for Medicare & Medicaid Services.

We appreciate the effort and cooperation provided by your staff during our review of this request. Should you have any questions, please contact Elaine Elmore at 404-562-7408.

Sincerely,

*Renard L. Murray*

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