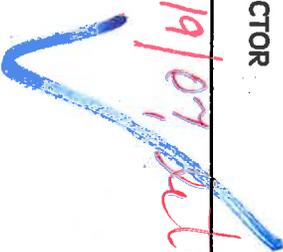


DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Bowling</i>	DATE <i>1-3-07</i>
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DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER <i>000428</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <i>1-10-07</i>		
2. DATE SIGNED BY DIRECTOR <i>Cleaveland 3/19/07</i>	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____ <input type="checkbox"/> FOIA DATE DUE _____ <input type="checkbox"/> Necessary Action		
<i>attached.</i> 			

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 Street, SW, Suite 4T20
Atlanta, Georgia 30303-8909

*For - Bowling
in Robby's Sign*



RECEIVED

December 20, 2006

DEC 27 2006

Mr. Robert M. Kerr, Director
South Carolina Department of Health & Human Services
P. O. Box 8206
Columbia, South Carolina 29202-8206

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Subject: Proposed Amendment Number One to the South Carolina Department of Health and Human Services' (SCDHHS) Medicaid Managed Care Organization (MCO) Contract with Select Health of South Carolina Inc. (C 5 4220 MC) to extend the 2006 contract.

Dear Mr. Kerr:

We received the proposed Amendment Number One to the above contract on December 13, 2006, and your letter of December 12, 2006, requesting a three-month extension of the above contract so that the MCO Model Contract for 2007 can be approved and executed. This means that the existing contract would be extended to March 31, 2007. We are pleased to tell you that the Proposed Amendment Number One has been approved.

The State will pay the approved 2006 contract rate for the three months, January, February, and March, 2007.

While we received the basic word document of the MCO Model Contract for 2007 for the above contract, we have not received the Policy and Procedure Manual for 2007, the final financial information, and the actuarial information necessary for us to review and approve the contract. Only when we receive the necessary information is the submission considered complete. The Regional Office tries to review and approve such contracts in less than 45 days; however, sometimes it is necessary for us to take the full 45 days.

If you have any questions concerning this issue, please call Elaine Elmore at (404) 562-7408.

Sincerely,

for Hugh S. Roberts
Renard L. Murray, D.M.

Associate Regional Administrator
Division of Medicaid & Children's Health



State of South Carolina
Department of Health and Human Services

Mark Sanford
Governor

Robert M. Kerr
Director

March 19, 2007

Mr. Renard L. Murray, D.M.
Associate Regional Administrator
Centers for Medicare & Medicaid Services
61 Forsyth Street Southwest, Suite 4T20
Atlanta, Georgia 30303-8909

Re: Proposed Amendment Number One to the South Carolina Department of Health and Human Services' (SCDHHS) Medicaid Managed Care Organization (MCO) Contract with Select Health of South Carolina Inc. (C 5 4220 MC) to extend the 2006 contract.

Dear Mr. Murray:

Thank you for the letter approving the extension of our 2006 contract rates through the month of March 2007. This extension afforded us adequate time to refine the 2007 managed care contract rates and gain the required actuarial certification. We also appreciate the expeditious approval of the 2007 contracts and rates received from the staff at the Centers for Medicare & Medicaid Services. This quick turn-around will enable us to execute the contract in a timely fashion.

Thank you for your assistance as we strive to continually better serve the citizens of South Carolina. Should you need more information on the Managed Care Services, please contact Mr. Mark E. McKenna, Department Manager for Managed Care at (803) 898-4614.

Sincerely,

A handwritten signature in black ink, appearing to read 'RMK', written over the typed name of Robert M. Kerr.

Robert M. Kerr
Director

RMK/lbgh

cc: Elaine Elmore

