

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Singleton</i>	DATE <i>7-30-08</i>
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DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER 090059	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____		
2. DATE SIGNED BY DIRECTOR <i>cc: Ms. Foxkney, Depo</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
61 Forsyth St, SW, Suite 4120
Atlanta, Georgia 30303-8909



July 25, 2008

RECEIVED

JUL 25 2008

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 June 2, 2008, requesting that the Centers for Medicare & Medicaid Services (CMS) review and approve a proposed Implementation Advance Planning Document (IAPD) for the Design, Develop and Installation (DDI) of modifications to your Medicare Management Information System (MMIS) and operational costs necessary to support a Dental Administrative Services Organization (ASO).

The State is requesting approval of \$27,695,137 (\$1,271,598 at 90 percent; \$13,807,348 at 75 percent; \$3,880,672 at 50 percent; \$19,059,618 total FFP) to modify the existing MMIS to support an ASO who will process all Medicaid dental claims. 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 22, 2008 and ends November 30, 2013.

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. In addition, continued Federal funding of the SC Dental ASO project is contingent upon:

- (1) The Department's ability to demonstrate progress in meeting milestone commitments outlined in the CMS approved IAPD. Should the project deviate from the approved schedule, CMS may suspend or disallow FFP as provided for in Federal regulations at 45 CFR 95.611(c)(3) and 95.612:

(2) The timely submission of monthly status reports for the SC Dental ASO project. These reports must measure progress against the approved IAPD. Monthly status report should be submitted to this office by the last day of each calendar month. For reports that end on a calendar quarter, you are requested to add the amounts spent to date and show the balanced of approved IAPD funding remaining.

Upon successful completion of the project please provide my office with written notification that includes the following:

- The date the SC Dental ASO project was completed and officially accepted by the State as complete;
- Submission of project closeout documentation within 60 calendar days of the date the project was officially accepted by the State as complete;
- The final cost to complete the SC Dental ASO project, and;
- Assurance/documentation that the SC Dental ASO project completed met the objectives and performed the functions described in the approved APD.

The State is reminded that upon completion of the competitive procurement for this project a IAPD Update must be submitted reflecting actual costs of the final contract and implementation timeline. 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@dcms.hhs.gov.

Sincerely,



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