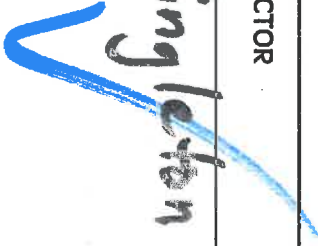


**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR**

ACTION REFERRAL

TO Hells	DATE 9-13-06
--------------------	------------------------

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER 000239	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR cc: Ries, Singleton 	<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., Suite 4120
Atlanta, Georgia 30303-8909



September 6, 2006

Doc. Well
"Rec. Action"
cc: Ried
Summiston

RECEIVED

SEP 12 2006

Mr. Robert M. Kerr, Director
Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29202-8206

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Re: South Carolina Title XIX State Plan Amendment, Transmittal #06-006

Dear Mr. Kerr:

We have reviewed South Carolina's State Plan Amendment (SPA) 06-006 which was submitted to the Atlanta Regional Office on July 6, 2006. This State Plan Amendment proposes to correct the State Plan so that it will allow for exceptions to the application of the transfer of assets penalties in order to be consistent with the State Medicaid Manual.

Based on the information provided, we are pleased to inform you that South Carolina SPA 06-006 was approved on August 31, 2006. The effective date is July 1, 2006.

Copies of the signed CMS-179 form and approved plan page are enclosed. If you have any questions regarding this amendment, please contact Elaine Elmore at (404) 562-7408.

Sincerely,

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

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: SC 06-006	2. STATE South Carolina
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
July 1, 2006

5. TYPE OF PLAN MATERIAL (*Check One*):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION:
1902

7. FEDERAL BUDGET IMPACT:
a. FFY 2006 \$ 29,817
b. FFY 2007 \$ 39,756

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*if Applicable*):

SUPPLEMENT 9 TO ATTACHMENT 2.6-A, Page 5

SUPPLEMENT 9 TO ATTACHMENT 2.6-A, Page 5

10. SUBJECT OF AMENDMENT:

Exceptions to application of transfer of assets penalties in order to be consistent with the State Medicaid Manual.

11. GOVERNOR'S REVIEW (*Check One*):

- ☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:
Mr. Kerr was designated by the Governor
to review and approve all State Plans

12. SIGNATURE OF STATE AGENCY OFFICIAL:

Robert M. Kerr

16. RETURN TO:

South Carolina Department of Health and Human Service
Post Office Box 8206
Columbia, SC 29202-8206

13. TYPED NAME:
Robert M. Kerr

14. TITLE:
Director

15. DATE SUBMITTED:
July 6, 2006

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:
July 6, 2006

18. DATE APPROVED:
August 31, 2006

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
July 1, 2006

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Renard L. Murray, D.M.

22. TITLE: Associate Regional Administrator.
Division of Medicaid & Children's Health

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Carolina

a penalty could be assessed against the spouse (i.e., the spouse becomes institutionalized; and
some portion of the penalty against the institutionalized individual remains at the time the above conditions are met.

EXCEPTIONS TO THE PENALTY: No penalty is imposed if:

A. The assets transferred were a home and title to the home was transferred to:

1. the spouse of the institutionalized individual;
2. a child who is under age 21 or meets the Supplemental Security Income definition of blindness or disability;
3. a sibling of the individual who has an equity interest in the home and who was residing in the home for at least one year immediately before the date the individual become institutionalized; or
4. a son or daughter of the individual (other than a son or daughter described in #2 above) who was residing in the home for at least two years immediately before the individual became institutionalized and who provided care which delayed institutionalization.

B. The assets were transferred to:

1. the individual's spouse or to another for the sole benefit of the spouse;
2. another for the sole benefit of the individual's spouse from the spouse;
3. the individual's blind or disabled child, or a trust established solely for the benefit of the individual's blind or disabled child; or
4. a trust described in Section 1917(d)(4) established solely for the benefit of an individual who meets the SSI definition of disability.

In this section, a transfer made is considered to be "for the sole benefit of" a spouse, disabled child or individual under age 65, if the transfer is arranged in such a way that no individual except the spouse, child or individual can benefit from the assets transferred in any way at the time of transfer or in the future.

A trust is considered to be established "for the sole benefit of" a spouse, disabled child or individual under age 65 if the trust benefits no one but the individual at the time the trust was established or in the future. However, the trust may provide for reasonable compensation for a trustee to manage the trust.

TN No.: 06-006
Supersedes
TN No.: 94-003

Approval Date: 08/31/06

Effective Date: 07/01/06

HCFA ID: 7985E