


DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

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|------------------------|-----------------------|
| TO <i>Singleton</i> | DATE <i>7-7-11</i> |
|------------------------|-----------------------|

| DIRECTOR'S USE ONLY | ACTION REQUESTED |
|--|---|
| 1. LOG NUMBER <i>1011020</i> | <input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____ |
| 2. DATE SIGNED BY DIRECTOR <i>cc: Mr. Kock, Depts, Cals file,</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 Street, SW, Suite 4T20
Atlanta, Georgia 30303-8909



July 1, 2011

Mr. Anthony E. Keck, Director
Department of Health & Human Services
1801 Main Street,
Columbia, SC 29201

RECEIVED

JUL 07 2011
Department of Health & Human Services
OFFICE OF THE DIRECTOR

Dear Mr. Keck:

The Centers for Medicare & Medicaid Services (CMS) approves the Implementation Advanced Planning Document Update (IAPDU) received at the Regional Office on May 03, 2011 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. The original IAPDU document submitted was undated and the Atlanta Regional Office staff received it on May 03, 2011 which is considered to be the official submission date. We performed our review of this request in accordance with Federal regulations at Section 1903(a) (3) (A) of the Social Security Act, 42 CFR 433.112 and 42 CFR 433.15(b) (3) and the State Medicaid Manual Part 11.

This approval reflects the intent of the state to exercise the second option year of its services contract with First Data Government Solutions and as well, approval of a price revision of the same Care Call Contract. The aim of exercising the option year is to enable the State continue to perform service monitoring, service documentation, reporting and billing services of four (4) Home and Community Based Waiver (HCBW) programs and two (2) children's programs. This option year is scheduled to begin August 24, 2011 and the associated approval is effective from the date of this letter through August 23, 2012.

The total cost of the initial contract was \$10,800,000 and South Carolina Department of Health and Human Services (SCDHHS) has now negotiated a contract reduction from \$52.50 per participant to \$49.00 per participant thus reducing the total contract cost to \$10,698,000. The decrease in Federal share of funding for this contract is \$102,000.

The Federal share of funding requested for this option year is \$1,469,300 [\$1,116,000 at 75 percent Federal Financial Participation (FFP) and \$353,300 at 50 percent FFP]. Funding is approved based upon the estimates shown in the budget detail section of the IAPDU.

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 IAPDU for this project will require our prior written approval to quality for FFP.

Mr. Anthony E. Keck, Director
July 1, 2011
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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 Enitan Oduneye at (404) 562-7424 or via E-mail at enitan.oduneye@cms.hhs.gov.

Sincerely,

Handwritten signature of Jackie Glaze in cursive script.

Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

CC: Rhonda Morrison
John Supra