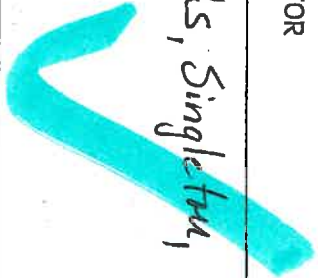


DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO	DATE
<i>Medical Services/Hess</i>	<i>2-23-11</i>

DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER	<i>100371</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____	
2. DATE SIGNED BY DIRECTOR	<i>cc: Mr. Keck, Wells, Singley, Jacobs</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.			

Med. Svcs / Rptg H.

C: Kelly

Watts
Singer
JACOBS

From: "Roberts, Shantina D. (CMS/CMCHO)" <Shantina.Roberts@cms.hhs.gov>
To: Timothy Hartnett <HARTTIM@scdhs.gov>, Jan Polatty <POLATTYJ@scdhs.gov>
Date: 2/22/2011 6:21 PM
Subject: MCO rate adjustments
Attachments: SC_Appvl_Ltr_Oct2010_rate_adj.docx.pdf

Tim: Please find a copy of the signed approval letter. A hard copy has been placed in U.S. Postal mail. I apologize for not getting this out as promised on Friday.

Let me know if you have questions.

Thanks

Trina Roberts | Acting Program Branch Chief | Division of Medicaid and Children's Health Operations |
Centers for Medicare and Medicaid Services | 61 Forsyth St. S.W., Suite 4T20 | Atlanta, GA
30303-8909 | 404-562-7418 | 312-294-8065 | shantina.roberts@cms.hhs.gov

Department of Health & Human Services
Centers for Medicare & Medicaid Services
61 Forsyth St, Suite 4T20
Atlanta, Georgia 30303-8909



February 22, 2011

Mr. Anthony E. Keck, Director
South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29202-8206

Dear Mr. Keck:

This letter is to inform you that the Centers for Medicare & Medicaid Services (CMS) is approving the South Carolina submission of Managed Care Organization (MCO) contract amendments between South Carolina Department of Health and Human Services and following entities:

- Amendment 1 – Unison Health Plan of South Carolina, Inc.
- Amendment 1 – Select Health of South Carolina, Inc.
- Amendment 1 – BlueChoice Health Plan of South Carolina, Inc.
- Amendment 2 – Absolute Total Care, Inc.

These amendments adjust the individual risk scores for each MCO. The adjusted capitation rates are effective October 1, 2010 – April 1, 2011. The risk adjustment was calculated and certified by Milliman, Inc. We accept the rate methodology for calculating the individual risk scores.

If any future actuarial study or financial review reveals inaccuracies in the submitted risk adjusted rate 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 and Medicaid Services.

We appreciate the effort and cooperation provided by your staff during our review. If you have any questions, please feel free to contact Trina Roberts at (404) 562-7418 or Michelle White at (404) 562-7328.

Sincerely,

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

From: Bryan Kost
To: Anthony Keck, Kendall F Quinton, Jeff Stensland, William Wells, Deirdra ...
CC: Jan Polatty
Date: 2/22/2011 6:48 PM
Subject: New provisos - final update tonight

One last one -

White proposed a new proviso that state health agencies push harder to require co-pays, and use means testing to get recipients to put more skin in the name. He said some health agencies do this, some do not. Ott challenged him, wondering what authority and guidelines agencies would use to slap co-pays on folks. White said he just wants to be sure agencies are maximizing cost sharing, especially agencies using state-only funds. He said he understands that DHHS may not have co-pay wiggle room.

The proviso was adopted.

That was it for tonight. Cooper did say that Keck will be presenting in room 108, at 8:30.

Tony, looking ahead ... next week the Ways and Means budget gets printed. Then by law it sits a week for House members to read. Then that third week we'll have full House debate. Onward to Senate from there.