

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Singleton</i>	DATE <i>2-22-10</i>
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DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER <i>000348</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____		
2. DATE SIGNED BY DIRECTOR <i>cc: Deps, Ms. Fortney, Kost, Quinlan, Stendland</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.			



**RECEIVED**

FEB 22 2010

February 22, 2010

South Carolina Department of Health and Human Services  
Office of the Director  
1801 Main Street  
Post Office Box 8206  
Columbia, South Carolina 29202-820

Ms. Emma Forkner,

This constitutes Carolina Crescent Health Plan, Inc.'s ("CCHP") 90-day notice to the South Carolina Department of Health and Human Services ("SCDHHS") to terminate the following contracts pursuant to Section 13.2.6 of each contract (collectively, with any replacement contracts, the "Contracts"):

- a. Contract for the Purchase and Provisions of Medical Services under the South Carolina Medicaid MCO Program, dated April 1, 2008, between SCDHHS and CCHP, as amended by that certain Amendment Number One, dated July 1, 2008, as further amended by that certain Amendment Number Two, dated October 1, 2008, as further amended by that certain Amendment Number Three, dated October 1, 2009.
- b. Contract for the Purchase and Provision of Medical Services under the Healthy Connections Kids Program, dated June 30, 2009, between SCDHHS and CCHP, Inc., as amended by that certain Amendment Number One, dated July 29, 2009, as further amended by that certain Amendment Number Two, dated October 1, 2009.

CCHP has entered into a purchase agreement pursuant to which Absolute Total Care, Inc. will purchase all of CCHP's rights to provide SCDHHS prescribed health services to CCHP's members and all of CCHP's members are to be transferred to Absolute Total Care, Inc.'s South Carolina Medicaid managed care plans. Subject to the satisfaction of certain conditions, the transaction is expected to become effective on June 1, 2010. Accordingly, the expected termination date of the Contracts will not be prior to May 31, 2010, which date is at least 90 days after the date hereof. Both CCHP and Absolute Total Care, Inc. will work closely together, along with the SCDHHS, to ensure a seamless transition of CCHP's members. The Contracts are scheduled to expire March 31, 2010. SCDHHS will issue new Contracts to CCHP to be effective April 1, 2010. CCHP will continue to provide services under the new Contracts through the expected termination date referenced in this letter.

Should you have any questions about this termination of contracts, please contact me at (804) 628-2080.

South Carolina Department of Health and Human Services

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Regards,



Carl Gattuso

Chief Executive Officer

Carolina Crescent Health Plan, Inc.

cc: Beverly Hamilton, Chief, Bureau of Care Management and Medical Support Services

Mike Cannon, Chief, Bureau of Administrative Services

Jennifer Marchant, Executive Director, Carolina Crescent Health Plan, Inc.

Jesse Hunter, Executive Vice President, Centene Corporation