

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO	DATE
Singleton	12-3-10

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER 1011250	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR cc: Ms. Forkner, Deps, CMS file	<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 AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO	DATE
<i>Wells</i>	<i>12-3-10</i>

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>.101,250</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>Cc: Ms. Forlmer, Deps, CMS 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 <small>(Only when prepared for director's signature)</small>	APPROVE	* DISAPPROVE <small>(Note reason for disapproval and return to preparer.)</small>	COMMENT
1.			
2.			
3.			
4.			

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



December 1, 2010

Emma Forkner, Director
South Carolina Department of Health and Human Services
P.O. Box 8206
Columbia, SC 29202-8206



Re: Revised Approval Letter - Thompson Reuters Contract

Dear Ms. Forkner:

We have made the correction to the 90 percent FFP amount contained in our July 19, 2010 approval letter as well as a correction to the P.O. Box number indicated for your address. This letter thus replaces our original letter. Thank you for bringing this to our attention.

I am pleased to inform you that CMS approves SCDHHS's request dated July 15, 2010, for a proposed Implementation Advance Planning Document Update (IAPDU), and a contract with Thompson Reuters, 440002495, to provide services for the South Carolina Decision Support System (DSS), Surveillance and Utilization Review System (SURS), and Management and Administrative Report System (MARS). The approval represents \$12,745,960 (\$558,000 at 90%; \$5,227,942 at 75%; \$2,577,685 at 50%; \$8,363,627 Total FFP) which is \$4,844,417 less than the approved estimate of \$17,590,377.

This approval is made 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 approval is effective July 19, 2010 and ends July 18, 2015. The State is reminded to request CMS prior approval to exercise any option years included under this contract. Approval of operational costs (i.e., 75 or 50 percent FFP) for this project will be determined following full operation of the replacement system and subsequent Certification by CMS in accordance with 42 CFR 433, Subpart C, and the SMM, Part 11.

The State is also 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 IAPD for this project will require our prior written approval to qualify for FFP. In addition, continued Federal funding of this project is contingent upon:

Ms. Emma Forkner, Director
December 1, 2010.
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- (1) The Department's ability to demonstrate progress in meeting project milestone commitments. Should the project deviate from the CMS approved IAPD/DIS, FFP for the project as described in the IAPD/DIS may be suspended or disallowed as provided for in Federal regulations at 45 CFR 95.611(e)(3) and 95.612;
- (2) The timely submission of monthly status reports for this project. These reports must measure progress against the approved DIS. Monthly status reports 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 balance of approved IAPD funding remaining;
- (3) Timely submission of all required quarterly 90/10 financial reports for all approved projects;
- (4) Timely submission of all reports prepared by an Independent Verification and Validation (IV&V) and/or quality assurance contractor;
- (5) Timely submission of minutes from the project management committee to address strategic directions and provide executive input.

In any event, authorization of Federal funding for the Care Call replacement project will expire on July 28, 2015. Upon successful completion of this project, please provide my office with written notification that includes the following:

- The date the 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 Care Call replacement project, and;
- Assurances/documentation that the Care Call replacement project completed met the objectives and performed the functions described in the approved APPD.

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.

I would like to thank you and your staff for your efforts in developing and implementing the South Carolina DSS/SURS/MARS replacement project. If there are any questions concerning this approval, please contact Eritan Oduneye at (404) 562-7424 or via E-mail at eritan.oduneye@cms.hhs.gov.

Sincerely,


Jackie Glaze

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