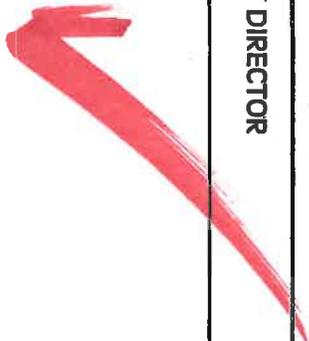


**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR**

ACTION REFERRAL

TO <i>Wells</i>	DATE <i>5-21-07</i>
---------------------------	-------------------------------

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000730</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR 	<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

7500 Security Boulevard
Baltimore, MD 21244-1850

Mr. Robert Kerr
Executive Director
Department of Health and Human Services
P.O. Box 8206
Columbia, S.C. 29202-8206

RECEIVED

MAY 21 2007

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Dear Sir or Madam:

The grant award for the amount(s) and purposes indicated below has been approved under Appropriation 75X0516 Centers for Medicare & Medicaid Services (CMS).

1. Katrina Relief – Health Care Benefits	\$(632,230)
2. Katrina Relief – Administration Related to Health Care Benefits	\$(19,002)
3. Katrina Relief – Uncompensated Care	\$(93,336)
4. Katrina Relief – Administration Related to Uncompensated Care	\$(4,000)
5. Katrina Relief – Assistance for Affected Counties or Parishes	\$0
Total Grant Awards	\$(748,568)

The above listed grant award is executed by CMS under the authority of Section 6201 of P.L. 109-171, the Deficit Reduction Act of 2005 (DRA), and is subject to the availability of funding under that authority. This grant award is for the purposes, and under the authorities, listed below (as applicable):

- Katrina Relief – Health Care Benefits.** For the non-Federal share of Katrina hurricane-related expenditures made in accordance with your approved Multi-State Section 1115 Demonstration for medical assistance provided August 24, 2005 through June 30, 2006, to Katrina evacuees and/or affected individuals (\$6201(a)(1)(A)&(C) of DRA).
- Katrina Relief – Administration Related to Health Care Benefits.** For the non-Federal share of reasonable administrative costs related to the provision of health care benefits under item 1. above (\$6201(a)(2) of DRA).
- Katrina Relief – Uncompensated Care.** For the total uncompensated care pool (UCCP) expenditures made in accordance with your approved Multi-State Section 1115 Demonstration and your approved UCCP methodology for certain designated health care provided August 24, 2005 through January 31, 2006, to Katrina evacuees and/or affected individuals (\$6201(a)(1)(B)&(D) of DRA).
- Katrina Relief – Administration Related to Uncompensated Care.** For the total reasonable administration costs related to the provision of uncompensated care under item 3. above (\$6201(a)(2) of DRA).
- Katrina Relief – Assistance for Affected Counties or Parishes.** Only with respect to Counties or Parishes affected by Hurricane Katrina, for reimbursement of the non-Federal share of expenditures for medical assistance or child health assistance provided, beginning August 24, 2005, to individuals under existing approved Title XIX and Title XXI plans, respectively (\$6201(a)(3) of DRA 2005).

The methodology for computation of the award is shown on the enclosed statement. With the acceptance of this award, you agree to ensure that the Katrina payments are administered in accordance with your approved Katrina demonstration project, your Title XIX and Title XXI State plans and 45 CFR part 92, as applicable. In a format and within timeframes designated by CMS, you must provide certified reports to CMS of the expenditures made for this allocation of funds. The funding authorized by this grant award is paid subject to any future financial management review or audit. Any questions you may have in connection with the grant award should be referred to the appropriate CMS regional office financial contact for your State.

Payment under this award will be made by the Department of Health and Human Services, Payment Management System (PMS) administered by the Division of Payment Management (DPM), Program Support Center. Draw these funds against the special PMS subaccounts that have been established for the purposes above (See Enclosures). Inquiries regarding payment should be directed to:

Director, Division of Payment Management
Post Office Box 6021
Rockville, Maryland 20852-0605

Telephone Number (301) 443-1660

Please transmit a copy of this grant award document to the State official authorized to request funds from the Division of Payment Management.

Sincerely yours,



Director,
Division of Financial Operations
Finance Management Group
Center for Medicaid and State Operations

Enclosures 7

STATE South Carolina

COMPUTATION OF AMOUNTS FOR KATRINA STATE RELIEF
GRANTS UNDER TITLE SECTION 6201 OF THE DEFICIT
REDUCTION ACT OF 2005 (P.L. 109-171)

1. ADJUSTMENTS	Katrina Relief Health Care Benefits	Katrina Relief Administration	Katrina Relief Uncompensated Care	Katrina Relief Uncompensated Care Administration	Katrina Relief Affected Counties/Parishes
A. ACTUAL FEDERAL SHARE OF EXPENDITURES.....	\$	\$	\$	\$	\$
B. ESTIMATED FEDERAL SHARE OF EXPENDITURES PREVIOUSLY FUNDED.....					
C. DIFFERENCE.....					
D. NET ADJUSTMENTS APPLICABLE TO PRIOR PERIODS.....					
E. COLLECTIONS.....					
F. OTHER.....					
G. TOTAL ADJUSTMENTS.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2. ESTIMATED FEDERAL SHARE OF EXPENDITURES	\$ A. (632,230)	\$ B. (19,002)	\$ C. (93,336)	\$ D. (4,000)	\$ E. 0
3. NET AMOUNT TO BE CERTIFIED.....	\$ (632,230)	\$ (19,002)	\$ (93,336)	\$ (4,000)	\$ 0

TOTAL AMOUNT TO BE CERTIFIED..... \$ (748,568)

DATE APPROVED _____ COMPUTATION CHECKED BY 

INTERNAL TRANSMITTAL NO. 4 _____ 

FOOTNOTES

STATE: SOUTH CAROLINA

QUARTER/FISCAL YEAR THIRD/2007

Section 6201(a)(1)(A)&(C) of DRA

A. In accordance with Section 6201 of DRA and related CMS instructions, this grant represents a decreasing adjustment of \$(**632,230**) to the previous grant authority in subaccount KB. This amount was determined as \$1,010,000 (representing the previous grant authority for subaccount KB) minus \$377,770, representing the greater of the total amount of the allowable expenditures reported by you through the date of this letter for subaccount KB \$357,960 or the amount drawn in the Payment Management System (PMS) for subaccount KB \$377,770. This approach was taken to ensure that the amount of the grant authority for this account is maximized at this time.

Note that the finalization for subaccount KB will be determined based on the reconciliation between the grant authority as adjusted by this grant award and the final allowable expenditures reported for this subaccount.

Refer any questions you have on the above, to your Regional Office contact. See Attachment 1.

FOOTNOTES

STATE: South Carolina

QUARTER/FISCAL YEAR THIRD/2007

Section 6201(a)(2) of DRA

B. In accordance with Section 6201 of DRA and related CMS instructions, this grant represents a decreasing adjustment of **(\$19,002)** to the previous grant authority in subaccount KA. This amount was determined as \$78,000 (representing the previous grant authority for subaccount KA) minus \$58,998, representing the greater of the total amount of the allowable expenditures reported by you through the date of this letter for subaccount KA \$58,998 or the amount drawn in the Payment Management System (PMS) for subaccount KA \$55,863. This approach was taken to ensure that the amount of the grant authority for this account is maximized at this time.

Note that the finalization for subaccount KA will be determined based on the reconciliation between the grant authority as adjusted by this grant award and the final allowable expenditures reported for this subaccount.

Refer any questions you have on the above, to your Regional Office contact. See Attachment 1.

FOOTNOTES

STATE: SOUTH CAROLINA

QUARTER/FISCAL YEAR THIRD/2007

Section 6201(a)(1)(B)&(D) of DRA

C. In accordance with Section 6201 of DRA and related CMS instructions, this grant represents a decreasing adjustment of \$(93,336) to the previous grant authority in subaccount KB-UCCP. This amount was determined as \$120,000 (representing the previous grant authority for subaccount KB-UCCP) minus \$26,664, representing the greater of the total amount of the allowable expenditures reported by you through the date of this letter for subaccount KB-UCCP \$26,664 or the amount drawn in the Payment Management System (PMS) for subaccount KB-UCCP \$6,180. This approach was taken to ensure that the amount of the grant authority for this account is maximized at this time.

Note that the finalization for subaccount KB-UCCP will be determined based on the reconciliation between the grant authority as adjusted by this grant award and the final allowable expenditures reported for this subaccount.

Refer any questions you have on the above, to your Regional Office contact. See Attachment 1.

FOOTNOTES

STATE: South Carolina

QUARTER/FISCAL YEAR THIRD/2007

Section 6201(a)(2) of DRA

D. In accordance with Section 6201 of DRA and related CMS instructions, this grant represents a decreasing adjustment of **\$(4,000)** to the previous grant authority in subaccount KA-UCCP. This amount was determined as \$4,000 (representing the previous grant authority for subaccount KA-UCCP) minus \$0, representing the greater of the total amount of the allowable expenditures reported by you through the date of this letter for subaccount KA-UCCP \$0 or the amount drawn in the Payment Management System (PMS) for subaccount KA-UCCP \$0. This approach was taken to ensure that the amount of the grant authority for this account is maximized at this time.

Note that the finalization for subaccount KA-UCCP will be determined based on the reconciliation between the grant authority as adjusted by this grant award and the final allowable expenditures reported for this subaccount.

Refer any questions you have on the above, to your Regional Office contact. See Attachment 1.

CALCULATION OF SUPPLEMENTAL AWARD

STATE South Carolina

	Katrina Relief Health Care Benefits	Katrina Relief Administration	Katrina Relief Uncompensated Care	Katrina Relief Uncompensated Care Administration	Katrina Relief Affected Counties/Parishes
Secretary's Estimate of Funding	\$ 1,010,000	\$ 78,000	\$ 120,000	\$ 4,000	\$
Expenses Reported	<u>377,770</u>	<u>58,998</u>	<u>26,664</u>	<u>0</u>	<u>0</u>
Net Amount of Funding	<u>\$ (632,230)</u>	<u>\$ (19,002)</u>	<u>\$ (93,336)</u>	<u>\$ (4,000)</u>	<u>\$ 0</u>