

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

ACTION REFERRAL

TO <i>Myers</i>	DATE <i>1-22-08</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000380</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Deps, Ms. Parker</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 4120
Atlanta, Georgia 30303-8909



January 15, 2008

Log: Myer

RECEIVED

JAN 22 2008

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

*cc: Depp,
Ms. Forkner*

Department of Health & Human Services
OFFICE OF THE DIRECTOR

RE: Contract Extension and Partial Year Rate Increase for Select Health MCO

Dear Ms. Forkner:

We have reviewed the proposed MCO contract amendment to both extend the Ethical Medicaid MCO contract for Select Health Plan of South Carolina, Inc, and increase the rate for the period October 1, 2007 through March 31, 2008. We found that the contract amendment, which includes the capitation rates certified by an actuary, meets the requirements contained in 42 CFR 438 effective August 13, 2003. Based on our review of the submitted documents and information provided by your staff, we approve the contract extension and the rate increase.

If any future actuarial study or financial review reveals inaccuracies in the submitted capitation rate cost 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. Should you have any questions, please contact Elaine Elmore at 404-562-7408.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay Gavens".

Jay Gavens

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

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