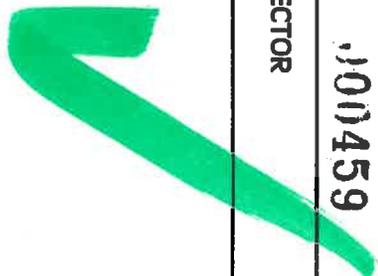


**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR**

ACTION REFERRAL

TO <i>Wells</i>	DATE <i>2-20-09</i>
---------------------------	-------------------------------

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>100459</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

Robert M. Kerr
Executive Director
Department of Health and Human Services
P. O. Box 8206
Columbia, SC 292028206

RECEIVED

FEB 20 2009

FEB 12 2009
Department of Health & Human Services
OFFICE OF THE DIRECTOR

Dear Sir or Madam:
SUPPLEMENTAL

The grant awards listed below have been approved for the period 01/01/2009 - 03/31/2009 under Appropriation 75X0512 Centers for Medicare & Medicaid Services. Any unused grant award authority may be carried forward and used in a subsequent period.

Medical Assistance Payments	\$(48,759,827)
Medicaid State Children's Health Insurance Program Payments	\$0
Administration Payments	\$3,424,731
Total Grant Awards	\$(45,335,096)

The above listed grant awards provide Federal funds for expenditures made in accordance with your State plan approved under Title XIX of the Social Security Act. Computation of the awards is shown on the enclosed statement.

With the acceptance of these awards, you agree to be responsible for limiting the drawing of Federal funds so as to minimize Federal cash on hand in accordance with policies established in Treasury Circular 1075 (Revised), and procedures established by the Department of Health and Human Services. You also agree to submit timely reports as required. Withdrawals of Federal funds are not to exceed the individual programmatic grant awards shown above. You also are required to provide for effective control over the accountability for all Federal funds as stated in Office of Management and Budget Circular No. 1075 (Revised). Failure to adhere to the above requirements may cause the unobligated portion of your letter-of-credit to be revoked. Part 92, Title 45, Code of Federal Regulations implements these circulars for this Department.

Any questions you may have in connection with the grant award should be referred to the appropriate Centers for Medicare & Medicaid Services 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 administered by the Division of Payment Management (DPM), Program Support Center. Inquiries regarding payment should be directed to:

Director, Division of Payment Management	Telephone Number (301) 443-1660
Post Office Box 6021	
Rockville, Maryland 20852-0605	

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,

Deborah Alvord
Director,
Division of Financial Operations

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

COMPUTATION OF AMOUNTS FOR MEDICAL ASSISTANCE
GRANTS UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE	SOUTH CAROLINA			
FISCAL YEAR	2 0 0 9			
QUARTER	1ST <input type="checkbox"/>	2ND <input checked="" type="checkbox"/>	3RD <input type="checkbox"/>	4TH <input type="checkbox"/>

1. ADJUSTMENTS FOR
QUARTER ENDED SEPTEMBER 30, 2008

	MEDICAL ASSISTANCE PAYMENTS	M-SCHIP PAYMENTS	ADMINISTRATION PAYMENTS
A. ACTUAL FEDERAL SHARE OF EXPENDITURES.....	\$ 811,263,761 (4,424)		\$ 22,773,913
B. ESTIMATED FEDERAL SHARE OF EXPENDITURES PREVIOUSLY FUNDED.....	811,259,337		22,773,913
C. DIFFERENCE.....	13,391,337		3,448,913
D. NET ADJUSTMENTS APPLICABLE TO PRIOR PERIODS.....	(1,717,397)		0
E. COLLECTIONS.....	259,694		(24,182)
F. OTHER.....	(43,939,046) (16,754,415)		
G. TOTAL ADJUSTMENTS.....	(48,759,827)		3,424,731
2. ESTIMATED FEDERAL SHARE OF EXPENDITURES FOR QUARTER BEGINNING JANUARY 1, 2009			
F.			F.
3. NET AMOUNT TO BE CERTIFIED.....	\$ (48,759,827)	0	\$ 3,424,731

TOTAL AMOUNT TO BE CERTIFIED..... \$G. (45,335,096)

DATE APPROVED FEB 12 2009 COMPUTATION CHECKED BY *Stennis mg* Norfolk

INTERNAL TRANSMITTAL NO. 26

FOOTNOTES

STATE: SOUTH CAROLINA

QUARTER/FISCAL YEAR: SECOND/2009

- A. \$(4,424) represents the Federal share of interest income earned on drug rebates that was reported on Line 5 of the Form CMS-64.

B.

	<u>MAP</u>	<u>ADM</u>	
\$	0	\$	0
\$	0	\$	0
\$	0	\$	0
\$	-1,717,397	\$	0
\$	-1,717,397	\$	0
			Net Adjustment

- C. \$259,694 represents Civil Monetary Penalties reported on Line 9C. This amount is not being used in the grant award computation to preclude a duplicate adjustment.

D. \$(16,754,415) represents M-SCHIP expenditures.

E. See attachments 1 through 11.

F. A grant award based on the estimate for SECOND quarter fiscal year 2009 was issued JANUARY 1, 2009.

G. The funding authorized by this grant award is paid subject to any future financial management review or audit.

MEMORANDUM

DSH Adjustment

1. The law required that the yearly limitation on DSH expenditures be calculated against the total computable for fiscal years 1993 through 1997. However, Section 4721 (a) of the BBA replaces the current DSH allotment methodology with statutorily defined Federal DSH allotments. For Federal fiscal years 1998 through 2002, the Federal DSH allotments are listed in the Statute (1923 (f) of the Act.) See attached DSH schedules for the status of your allotment.

2. See attachments 12 & 13 for TANF expenditures.

3. For the reporting of the Medicare Part B Premiums for Qualifying Individuals, see attachments 14 & 15.

FOR FEDERAL USE ONLY

4. ~~\$4,424~~ refers to interest collected and reported on Line 5 of the CMS-64 Summary Sheet by the State on Drug Rebates, Document #05-0805SC5028 and CAN #95993312.

FEB 12 2009

Form CMS-152 (01/27/93) Supporting Schedule - MAP
 ATTACHMENT: 1

Department of Health and Human Services
 Centers For Medicare & Medicaid Services

VERIFICATION OF GRANT AWARD FUNDING
 Medical Assistance Payments (MAP)

STATE: SOUTH CAROLINA

QUARTER/FISCAL YEAR:

SECOND/2009

	FY And Prior 2005	FY 2006	FY 2007	FY 2008	Total
CMS-64 Summary					
Line 6	\$	\$	\$	\$ 811,263,761	\$ 811,263,761
Line 7					0
Line 8					0
Line 9				(43,939,046)	(43,939,046)
Line 10 A. & B.					0
Line 10 C.		121,310	(250)	(1,838,457)	(1,717,397)
Net Expenditures	\$ 0	\$ 121,310	\$ (250)	\$ 765,486,258	\$ 765,607,318
Less:					
Waivers					0
M-SCHIP	0	0	0	16,754,415	16,754,415
Katrina UCCP Waivers					0
Net MAP Expenditures	\$ 0	\$ 121,310	\$ (250)	\$ 748,731,843	\$ 748,852,903
Adjustments					
Transfers					0
Global Settlements					0
Civil Monetary Penalties				259,694	259,694
Deferrals					0
Disallowances					0
Subtotal	\$ 0	\$ 121,310	\$ (250)	\$ 748,991,537	\$ 749,112,597
Interest on Disallowances					0
Other Drug Rebate				(4,424)	(4,424)
Part B Offset					0
Part B Interest					0
Adjusted Funding	\$ 0	\$ 121,310	\$ (250)	\$ 748,987,113	\$ 749,108,173
Less: Federal Advances				797,868,000	797,868,000
Total Funding	\$ 0	\$ 121,310	\$ (250)	\$ (48,880,887)	\$ (48,759,827)

FEB 12 2009

Form CMS-152 (01/27/93) Supporting Schedule - MAP
ATTACHMENT: 2

Department of Health and Human Services
Centers For Medicare & Medicaid Services

VERIFICATION OF GRANT AWARD FUNDING
Medical State Children's Health Insurance Plan (M-SCHIP)

STATE: SOUTH CAROLINA

QUARTER/FISCAL YEAR:

SECOND/2009

	FY 2005 And Prior	FY 2006	FY 2007	FY 2008	Total
CMS-64 Summary					
Line 6	\$	\$	\$	\$ 16,754,415	\$ 16,754,415
Line 7					0
Line 8					0
Line 9					0
Line 10 A. & B.					0
Line 10 C.					0
Net Expenditures	\$ 0	\$ 0	\$ 0	\$ 16,754,415	\$ 16,754,415
Less:					
Waivers					0
M-SCHIP					0
Net MAP Expenditures	\$ 0	\$ 0	\$ 0	\$ 16,754,415	\$ 16,754,415
Adjustments					
Transfers					0
Line 10 Adj					0
CMP's					0
Deferrals					0
Disallowances					0
Subtotal	\$ 0	\$ 0	\$ 0	\$ 16,754,415	\$ 16,754,415
Interest on Disallowances					0
Other					0
Adjusted Funding	\$ 0	\$ 0	\$ 0	\$ 16,754,415	\$ 16,754,415
Less: Federal Advances					0
Total Funding	\$ 0	\$ 0	\$ 0	\$ 16,754,415	\$ 16,754,415

FEB 12 2009

Form CMS-152 (01/27/93) Supporting Schedule - DSH
ATTACHMENT: 3

Department of Health and Human Services
Centers For Medicare & Medicaid Services

VERIFICATION OF GRANT AWARD FUNDING
Disproportionate Share Hospitals (DSH)
FEDERAL SHARE

STATE: SOUTH CAROLINA

QUARTER/FISCAL YEAR:

SECOND/2009

	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997
REPORTED THIS QUARTER					
Line 6	\$	\$	\$	\$	\$
Line 7					
Line 8					
Line 9					
Line 10 A. & B.					
Line 10 C.					
Adjustments					
SUBTOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PREVIOUSLY REPORTED	\$ 313,460,000	\$ 312,580,697	\$ 310,952,672	\$ 311,217,444	\$ 309,722,264
BALANCE	\$ 313,460,000	\$ 312,580,697	\$ 310,952,672	\$ 311,217,444	\$ 309,722,264
CAP	\$ 313,460,215	\$ 312,580,697	\$ 310,953,589	\$ 311,217,444	\$ 309,722,264
REMAINING BALANCE	\$ 215	\$ 0	\$ 917	\$ 0	\$ 0

FEB 12 2009

Form CMS-152 (01/27/93) Supporting Schedule - DSH
 ATTACHMENT: 4

Department of Health and Human Services
 Centers For Medicare & Medicaid Services

VERIFICATION OF GRANT AWARD FUNDING
 Disproportionate Share Hospitals (DSH)
 FEDERAL SHARE

STATE: SOUTH CAROLINA

QUARTER/FISCAL YEAR:

SECOND/2009

	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
REPORTED THIS QUARTER					
Line 6	\$	\$	\$	\$	\$
Line 7					
Line 8					
Line 9					
Line 10 A. & B.					
Line 10 C.					
Adjustments					
SUBTOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PREVIOUSLY REPORTED	\$ 313,000,000	\$ 303,000,001	\$ 262,000,000	\$ 271,170,000	\$ 271,170,000
BALANCE	\$ 313,000,000	\$ 303,000,001	\$ 262,000,000	\$ 271,170,000	\$ 271,170,000
CAP	\$ 313,000,000	\$ 303,000,000	\$ 262,000,000	\$ 271,170,000	\$ 278,220,420
REMAINING BALANCE	\$ 0	(1)	\$ 0	\$ 0	\$ 7,050,420

FEB 12 2009

Form CMS-152 (01/27/93) Supporting Schedule - DSH
 ATTACHMENT: 5

Department of Health and Human Services
 Centers For Medicare & Medicaid Services

VERIFICATION OF GRANT AWARD FUNDING
 Disproportionate Share Hospitals (DSH)
 FEDERAL SHARE

STATE: SOUTH CAROLINA QUARTER/FISCAL YEAR: SECOND/2009

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
REPORTED THIS QUARTER					
Line 6	\$	\$	\$	\$	\$
Line 7					
Line 8					
Line 9					
Line 10 A. & B.					
Line 10 C.					
Adjustments					
SUBTOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PREVIOUSLY REPORTED	\$ 265,908,883	\$ 308,478,800	\$ 308,478,800	\$ 308,478,799	\$ 308,478,799
BALANCE	\$ 265,908,883	\$ 308,478,800	\$ 308,478,800	\$ 308,478,799	\$ 308,478,799
CAP	\$ 265,930,000	\$ 308,478,800	\$ 308,478,800	\$ 308,478,800	\$ 308,478,800
REMAINING BALANCE	\$ 21,117	0	\$ 0	\$ 1	\$ 1

FEB 12 2009

Form CMS-152 (01/27/93) Supporting Schedule - DSH
ATTACHMENT: 6

Department of Health and Human Services
Centers For Medicare & Medicaid Services

VERIFICATION OF GRANT AWARD FUNDING
Disproportionate Share Hospitals (DSH)
FEDERAL SHARE

STATE: SOUTH CAROLINA

QUARTER/FISCAL YEAR:

SECOND/2009

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
REPORTED THIS QUARTER					
Line 6	\$ 84,212,030	\$	\$	\$	\$
Line 7					
Line 8					
Line 9					
Line 10 A. & B.					
Line 10 C.					
Adjustments					
SUBTOTAL	\$ 84,212,030	\$ 0	\$ 0	\$ 0	\$ 0
PREVIOUSLY REPORTED	\$ 224,266,771	\$	\$	\$	\$
BALANCE	\$ 308,478,801	\$ 0	\$ 0	\$ 0	\$ 0
CAP	\$ 308,478,800	\$	\$	\$	\$
REMAINING BALANCE	\$ (1)	\$ 0	\$ 0	\$ 0	\$ 0

FEB 12 2009

Form CMS-152 (01/27/93) Supporting Schedule - DSH
 ATTACHMENT: 7

Department of Health and Human Services
 Centers For Medicare & Medicaid Services

VERIFICATION OF GRANT AWARD FUNDING
 Disproportionate Share Hospitals (DSH)
 TOTAL COMPUTABLE

STATE: SOUTH CAROLINA QUARTER/FISCAL YEAR: SECOND/2009

	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997
REPORTED THIS QUARTER					
Line 6	\$	\$	\$	\$	\$
Line 7					
Line 8					
Line 9					
Line 10 A. & B.					
Line 10 C.					
Adjustments					
SUBTOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PREVIOUSLY REPORTED	\$ 439,758,699	\$ 439,758,999	\$ 438,757,705	\$ 439,759,000	\$ 439,759,000
BALANCE	\$ 439,758,699	\$ 439,758,999	\$ 438,757,705	\$ 439,759,000	\$ 439,759,000
CAP	\$ 439,759,000	\$ 439,759,000	\$ 439,759,000	\$ 439,759,000	\$ 439,759,000
REMAINING BALANCE	\$ 301	\$ 1	\$ 1,001,295	\$ 0	\$ 0

FEB 12 2009

Form CMS-152 (01/27/93) Supporting Schedule - DSH
ATTACHMENT: 8

Department of Health and Human Services
Centers For Medicare & Medicaid Services

VERIFICATION OF GRANT AWARD FUNDING
Disproportionate Share Hospitals (DSH)
TOTAL COMPUTABLE

STATE: SOUTH CAROLINA

QUARTER/FISCAL YEAR:

SECOND/2009

	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
REPORTED THIS QUARTER					
Line 6	\$	\$	\$	\$	\$
Line 7					
Line 8					
Line 9					
Line 10 A. & B.					
Line 10 C.					
Adjustments					
SUBTOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PREVIOUSLY REPORTED	\$ 445,678,485	\$ 433,786,686	\$ 374,553,252	\$ 384,965,928	\$ 391,072,974
BALANCE	\$ 445,678,485	\$ 433,786,686	\$ 374,553,252	\$ 384,965,928	\$ 391,072,974
CAP	\$ 445,678,485	\$ 433,786,686	\$ 374,553,252	\$ 384,965,928	\$ 401,240,871
REMAINING BALANCE	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,167,897

FEB 12 2009

Form-CMS-152 (01/27/93) Supporting Schedule - DSH
 ATTACHMENT: 9

Department of Health and Human Services
 Centers For Medicare & Medicaid Services

VERIFICATION OF GRANT AWARD FUNDING
 Disproportionate Share Hospitals (DSH)
 TOTAL COMPUTABLE

STATE: SOUTH CAROLINA

QUARTER/FISCAL YEAR:

SECOND/2009

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
REPORTED THIS QUARTER					
Line 6	\$	\$	\$	\$	\$
Line 7					
Line 8					
Line 9					
Line 10 A. & B.					
Line 10 C.					
Adjustments					
SUBTOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PREVIOUSLY REPORTED	\$ 380,899,723	\$ 441,567,134	\$ 441,377,593	\$ 445,006,921	\$ 443,599,080
BALANCE	\$ 380,899,723	\$ 441,567,134	\$ 441,377,593	\$ 445,006,921	\$ 443,599,080
CAP	\$ 380,933,964	\$ 441,567,134	\$ 441,377,593	\$ 445,006,924	\$ 443,599,080
REMAINING BALANCE	\$ 34,241	\$ 0	\$ 0	\$ 3	\$ 0

FEB 12 2009

Form CMS-152 (01/27/93) Supporting Schedule - DSH
 ATTACHMENT: 10

Department of Health and Human Services
 Centers For Medicare & Medicaid Services

VERIFICATION OF GRANT AWARD FUNDING
 Disproportionate Share Hospitals (DSH)
 TOTAL COMPUTABLE

STATE: SOUTH CAROLINA

QUARTER/FISCAL YEAR:

SECOND/2009

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
REPORTED THIS QUARTER					
Line 6	\$ 120,664,894	\$	\$	\$	\$
Line 7					
Line 8					
Line 9					
Line 10 A. & B.					
Line 10 C.					
Adjustments					
SUBTOTAL	\$ 120,664,894	\$ 0	\$ 0	\$ 0	\$ 0
PREVIOUSLY REPORTED	\$ 321,345,136	\$	\$	\$	\$
BALANCE	\$ 442,010,030	\$ 0	\$ 0	\$ 0	\$ 0
CAP	\$ 442,010,030	\$	\$	\$	\$
REMAINING BALANCE	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

VERIFICATION OF GRANT AWARD FUNDING
 Administration (ADM)

STATE: SOUTH CAROLINA QUARTER/FISCAL YEAR: SECOND/2009

	FY And Prior 2005	FY 2006	FY 2007	FY 2008	Total
CMS-64 Summary					
Line 6	\$	\$	\$	\$ 22,773,913	\$ 22,773,913
Line 7					0
Line 8				(24,182)	(24,182)
Line 9					0
Line 10 A. & B.					
Net Expenditures	\$ 0	\$ 0	\$ 0	\$ 22,749,731	\$ 22,749,731
Less:					
Waivers					0
Net ADM Expenditures	\$ 0	\$ 0	\$ 0	\$ 22,749,731	\$ 22,749,731
Adjustments					
Transfers					0
Line 10 Adjustments					0
Deferrals					0
Disallowances					0
Subtotal	\$ 0	\$ 0	\$ 0	\$ 22,749,731	\$ 22,749,731
Interest on Disallowances					0
Other					0
TPL					0
Adjusted Funding	\$ 0	\$ 0	\$ 0	\$ 22,749,731	\$ 22,749,731
Less: Federal Advances				19,325,000	19,325,000
Total Funding	\$ 0	\$ 0	\$ 0	\$ 3,424,731	\$ 3,424,731

