

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

**ACTION REFERRAL**

TO <i>Supra</i>	DATE <i>2-14-13</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>100-249</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Mr. Keck, COS, 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 (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  
Atlanta Regional Office  
61 Forsyth Street, Suite 4T20  
Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

February 8, 2013

SC-13-001

Mr. Anthony E. Keck, Director  
Department of Health & Human Services  
1801 Main Street  
Columbia, SC 29201-8206

**RECEIVED**

FEB 14 2013

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

Dear Mr. Keck:

We have reviewed the Operational Advance Planning Document-Update (OAPD-U) that South Carolina submitted to the Centers for Medicare & Medicaid Services (CMS) on January 4, 2013. In accordance with 45 CFR Part 95, Section 95.610, the State submitted the OAPD-U to summarize the operational activities and expenditures of its Medicaid Management Information System (MMIS) operations and maintenance contract for the most recent State Fiscal Year, and to document its projected budget and other activities for the next 12-month period. The State contracts with Clemson University for the computer processing, network support, systems security, and other services identified in the MMIS operations and maintenance contract.

CMS approves South Carolina's OAPD-U effective on the date of this letter. Our approval of the State's OAPD-U is subject to the requirements in regulations at 45 CFR Part 95. Funding identified in the OAPD-U was previously approved by CMS in a letter to the State dated July 14, 2010, approving an Implementation Advance Planning Document (IAPD) for the five-year MMIS operations and maintenance contract with Clemson University ending on June 30, 2015.

The State is reminded that onsite reviews may be conducted to determine whether or not the objectives for which Federal Financial Participation (FFP) was approved are being accomplished, and whether or not the automatic data processing (ADP) 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 State Medicaid Manual (SMM). As provided by the SMM, Section 11200 and by 45 CFR 95.611, all subsequent revisions and amendments to the APD for this project will require CMS prior written approval to qualify for FFP. In accordance with 45 CFR Part 95.623, State acquisition of ADP equipment and services without prior approval could result in disallowance of FFP.

Any changes to previously approved contracts for this effort require CMS prior approval pursuant to 45 CFR 95.611. 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 ongoing success in administering South Carolina's MMIS. If there are any questions concerning this information, please contact John Allison at (828) 575-2876 or via email at [John.Allison@cms.hhs.gov](mailto:John.Allison@cms.hhs.gov).

Sincerely,

A handwritten signature in cursive script that reads "Jackie Glaze".

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