

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO	DATE
Supra	3-8-13

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER 000273	I I Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR cc: Mr. Keck, COS, Deps, CMS file	I I Prepare reply for appropriate signature DATE DUE _____
	I I 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 4120
Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

February 27, 2013

SC-13-003

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

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Department of Health & Human Services
OFFICE OF THE DIRECTOR

Dear Mr. Keck:

The Centers for Medicare & Medicaid Services (CMS) approves the Operational Advance Planning Document-Update (OAPD-U) that South Carolina submitted on January 25, 2013. In accordance with 45 CFR Part 95.610, the state submitted the OAPD-U to summarize the operational activities and expenditures of its Third Party Liability (TPL) services 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 BlueCross BlueShield of South Carolina (BCBSSC) to perform third party insurance policy identification and verification for Medicaid beneficiaries, benefit recovery, Health Insurance Premium Payment (HIPP) program activities, and other services identified in the TPL services contract.

Our approval of South Carolina's OAPD-U is subject to the requirements in regulations at 45 CFR Part 95, Subpart F, and 42 CFR Part 433, Subpart C. CMS also approves the state's matching of TPL contract activities to the appropriate Federal Financial Participation (FFP) rates, as described in Appendix C, submitted to CMS on January 25, 2013. For the state's next annual submission of the OAPD-U, please revise Attachment A (submitted to CMS on January 25, 2013) so that no blended FFP rates are associated with individual contract activities.

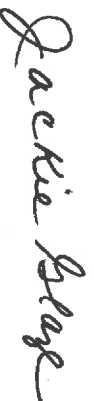
Funding identified in the OAPD-U was previously approved by CMS in a letter to the state dated July 30, 2010, approving an Implementation Advance Planning Document (IAPD). An Implementation Advance Planning Document-Update (IAPD-U) for contract award to BCBSSC was approved by CMS via a letter to the state dated February 9, 2012, approving up to four option years through April 30, 2016, and verifying that approved funding totals \$24,366,163 (FFP of \$17,091,598).

The state is reminded that onsite reviews may 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 (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 Medicaid Management Information System (MMIS), of which the TPL services contract is a part. 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.

Sincerely,

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

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