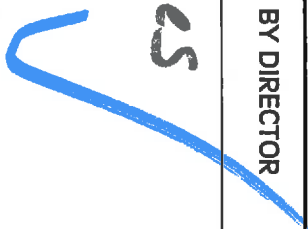


**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR**

**ACTION REFERRAL**

TO <i>Wells</i>	DATE <i>8-30-06</i>
--------------------	------------------------

<b>DIRECTOR'S USE ONLY</b>	<b>ACTION REQUESTED</b>
1. LOG NUMBER  <i>000175</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR  <i>cc: Ries</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 St., Suite 4120  
Atlanta, Georgia 30303-8909



August 23, 2006

*Doc. Mella*  
*"Spec. Action"*  
*cc: Riles*

**RECEIVED**  
AUG 20 2006

Mr. Robert M. Kerr, Director  
Department of Health and Human Services  
Post Office Box 8206  
Columbia, South Carolina 29202-8206

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

Re: South Carolina Title XIX State Plan Amendment, Transmittal #06-005

Dear Mr. Kerr:

We have reviewed South Carolina's State Plan Amendment (SPA) 06-005 which was submitted to the Atlanta Regional Office on June 12, 2006. This State Plan Amendment proposes to disregard the most recent Cost-of-Living Adjustment (COLA) for the Poverty Level Aged and Disabled population when the annual Social Security and Railroad Retirement COLAs and Poverty Level adjustments cause ineligibility. This disregard continues unless the individual loses Medicaid coverage for any other reason (other than the COLA increase) for three consecutive months. Upon reapplication, the COLA is no longer disregarded.

Based on the information provided, we are pleased to inform you that South Carolina SPA 06-005 is approved. The effective date is April 1, 2006.

Copies of the signed CMS-179 form and approved plan page are enclosed. If you have any questions regarding this amendment, please contact Elaine Elmore at (404) 562-7408.

Sincerely,

*Renard L. Murray*

Renard L. Murray, D.M.  
Associate Regional Administrator  
Division of Medicaid & Children's Health

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:  
SC 06-005

2. STATE  
South Carolina

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE  
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE  
April 1, 2006

5. TYPE OF PLAN MATERIAL (*Check One*):

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

7. FEDERAL BUDGET IMPACT:  
a. FFY 2006 \$ 162,450  
b. FFY 2007 \$ 216,600

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (*If Applicable*):

SUPPLEMENT 8a TO ATTACHMENT 2.6-A, Page 1

SUPPLEMENT 8a TO ATTACHMENT 2.6-A, Page 1

10. SUBJECT OF AMENDMENT:

Cost-of-Living Adjustment (COLA) disregard.

11. GOVERNOR'S REVIEW (*Check One*):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT  
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:  
Mr. Kerr was designated by the Governor  
to review and approve all State Plans

12. SIGNATURE OF STATE AGENCY OFFICIAL:

16. RETURN TO:

13. TYPED NAME:

Robert M. Kerr

South Carolina Department of Health and Human Service

14. TITLE:

Director

Post Office Box 8206  
Columbia, SC 29202-8206

15. DATE SUBMITTED:

June 12, 2006

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

June 12, 2006

18. DATE APPROVED:

August 23, 2006

PLAN APPROVED -- ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

April 1, 2006

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Renard L. Murray, D.M.

22. TITLE: Associate Regional Administrator  
Division of Medicaid & Children's Health

23. REMARKS:

Revision: HCFA-PM-91-4  
August 1991

(BPD)  
SUPPLEMENT 8a to ATTACHMENT 2.6-A  
Page 1  
OMB No.: 0938-

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Carolina

MORE LIBERAL METHODS OF TREATING INCOME  
UNDER SECTION 1902(r) (2) OF THE ACT\*

☐ Section 1902(f) State ☒ Non-Section 1902(f) State

- A. For Qualified Medicare Beneficiaries, Aged and Disabled, Working Disabled, and Specified Low-Income Medicare Beneficiaries, the rules for valuing in-kind support and maintenance are not applied.
- B. For pregnant women with income below the state established poverty level (185% as of 7/90), a married pregnant minor who lives with her parents is automatically considered emancipated and her parents income is not considered in determining her eligibility.
- C. For pregnant women, infants and children with income below the state established poverty level (185% as of 7/90), a deduction of child care expenses of \$200 per month per child less the amount paid by the ABC voucher program for each child receiving child care is used.
- D. For individuals applying under Section 1902(m) (1) of the Act, disregard the first \$50 of unearned income.
- E. For Poverty Level Aged and Disabled when the annual Social Security and Railroad Retirement COLAs and Poverty Level adjustments cause ineligibility, disregard the most recent COLA increase. This disregard continues until the individual loses Medicaid coverage for any other reason for three consecutive months.

\*More liberal methods may not result in exceeding gross income limitations under section 1903(f).

TN NO.: 06-005  
Supersedes:  
TN No.: 02-004

Approval Date: 08/23/06 Effective Date: 04/01/06