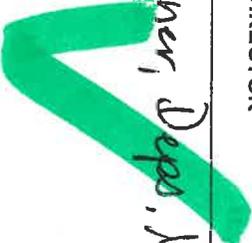


**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR**

**ACTION REFERRAL**

TO <i>Singleton</i>	DATE  <i>11-12-09</i>
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<b>DIRECTOR'S USE ONLY</b>	<b>ACTION REQUESTED</b>
1. LOG NUMBER  <i>100220</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR  <i>cc: Ms. Forlner, Deps, Morrissey CMS files</i> 	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____ <input type="checkbox"/> FOIA DATE DUE _____ <input checked="" type="checkbox"/> Necessary Action

<b>APPROVALS</b> <small>(Only when prepared for director's signature)</small>	<b>APPROVE</b>	<b>* DISAPPROVE</b> <small>(Note reason for disapproval and return to preparer.)</small>	<b>COMMENT</b>
1.			
2.			
3.			
4.			

Department of Health & Human Services  
Centers for Medicare & Medicaid Services  
61 Forsyth St., SW, Suite 4T20  
Atlanta, Georgia 30303-8909



November 5, 2009

**RECEIVED**

NOV 12 2009

Emma Forkner, Director  
South Carolina Department of Health and Human Services  
P.O. Box 8306  
Columbia, SC 29202-8206

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

Dear Ms. Forkner:

This is in response to your letter dated October 7, 2009, requesting that the Centers for Medicare & Medicaid Services (CMS) review and approve a proposed Implementation Advance Planning Document (IAPD) for the procurement of "front-end" operational services associated with the Medicaid Management Information System (MMIS) located at Clemson University.

The State is requesting approval of \$58,755,000 (Federal Share \$2,380,500 at 90 percent; \$36,126,750 at 75 percent; \$3,970,500 at 50 percent; Total: \$42,477,750) to competitively procure services and equipment to support the operations of the MMIS for a period of 5 years.

I am pleased to inform you that CMS approves the Department's request in accordance with 42 CFR Part 433.116, 45 CFR Part 92, 45 CFR Part 95, Subpart F, and the State Medicaid Manual (SMM), Part 11. This approval is effective November 3, 2009 and ends November 2, 2014.

The State is reminded that onsite reviews will 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 equipment or services are being efficiently, and effectively utilized in support of approved programs or project as provided for at 45 CFR Part 95, Section 621 and the SMM. As provided by the SMM, Section 11200 and by 45 CFR 95.611, all subsequent revisions and amendments to the APDU for this project will require our prior written approval to qualify for FFP. In addition, continued Federal funding of the "front-end" replacement project is contingent upon:

- (1) Request For Proposal (RFP) which is based upon the replacement vendor assuming "front end" operations on or before June 25, 2010;
- (2) The submission of an Implementation Advance Planning Document (IAPD) Update with the actual contract terms and amounts.

In any event, authorization of Federal funding for the "front-end" replacement project will expire on November 2, 2014. I would like to thank you and your staff for your efforts in developing and implementing the "front end" replacement project. If there are any questions concerning this approval, please contact L. David Hinson at (404) 562-7411 or via E-mail at [Lawrence.hinson@cms.hhs.gov](mailto:Lawrence.hinson@cms.hhs.gov).

Sincerely,

A handwritten signature in dark ink, appearing to read "Mary Kaye Justis". The signature is written in a cursive, flowing style.

Mary Kaye Justis, RN, MBA  
Acting, Associate Regional Administrator  
Division of Medicaid & Children's Health Operations