

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Taylor</i>	DATE <i>1-20-15</i>
---------------------	------------------------

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER 000167	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>CC: Kost, 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
Chicago Regional Office
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601



Consortium for Medicaid and Children's Health Operations

July 29, 2014

Tony E. Keck
Director
State of South Carolina, Department of Health and Human Services
1801 Main Street, PO Box 8206
Columbia, SC 29201-8206

RECEIVED

JAN 20 2015

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Dear Mr. Keck:

Thank you for your correspondence dated June 25, 2014 requesting that the Centers for Medicare & Medicaid Services (CMS) approve South Carolina's Health Information Technology (HIT) Implementation Advance Planning Document-Update (IAPD-U) including revisions/supplemental information submitted on June 12, 2014.

South Carolina's HIT IAPD-U requests CMS funding as authorized under section 4201 of the American Recovery and Reinvestment Act of 2009 (the Recovery Act), Pub L. 111-5, and our regulations at 42 CFR § 495, subpart D.

The Social Security Act, as amended under section 4201 of the Recovery Act, as well as our final regulation at 42 CFR § 495.322, allows 90 percent federal funding participation (FFP) for administrative activities in support of implementing an incentive payment program for Medicaid eligible professionals and eligible hospitals for the adoption and meaningful use of certified electronic health record (EHR) technology. The state seeks approval of \$3,438,781 in HITECH FFP for an implementation cycle covering Federal fiscal year 2015 (October 1, 2014 through September 30, 2015).

CMS approves the state's HIT IAPD-U, effective October 1, 2014, in accordance with Federal regulations at 42 CFR § 495, subpart D. This approval letter supersedes any previous letters that may have been issued for the approval period noted above.

CMS approves \$3,438,781 of HITECH FFP for FFY 2015, as described in the table in Appendix A. Please note that this letter approves funding by Federal fiscal year. The amounts allocated per Federal fiscal year in Appendix A cannot be reallocated between Federal fiscal years, even within the period of this letter's approval, without submission and approval of an IAPD-Update. 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. Subsequent revisions and amendments to this IAPD may require CMS' prior written approval to qualify for FFP, as outlined in Appendix B.

Appendix A:
HITECH Detailed Budget Table
 Covers Federal Fiscal Year 2015 (ending September 30, 2015)

	HIT CMS Share (90% FFP) HIT Administrative Funding	State Share (10%)	HIT CMS Share (90% FFP) HIE Funding	State Share (10%)	HIT ENHANCED FUNDING FFP Total	State Share Total	HIT ENHANCED FUNDING TOTAL COMPUTABLE
	24C & 24D†	--	24C & 24D†	--	24C & 24D†	--	
FFY 2015	\$3,438,781	\$382,087	\$0	\$0	\$3,438,781	\$382,087	\$3,820,868

†MBES Line Item	
24A	HIT – Planning: Cost of In-house Activities
24B	HIT – Planning: Cost of Private Contractors
24C	HIT – Implementation and Operation: Cost of In-house Activities
24D	HIT – Implementation and Operation: Cost of Private Contractors
24E	HIT – Incentive Payments: Eligible Professionals
24F	HIT – Incentive Payments: Eligible Hospitals
2A	MMIS- Design, Development or Installation of MMIS: Cost of In-house Activities
2B	MMIS- Design, Development or Installation of MMIS: Cost of Private Contractors
49	Other 50% - Title 19 (Medicaid) Other Financial Participation

FFP rates for specific activities and costs can be found at 76 FR 21949, available at <https://federalregister.gov/a/2011-9340>

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Chicago Regional Office
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601



Consortium for Medicaid and Children's Health Operations

January 7, 2015

Tony E. Keck
Director
State of South Carolina, Department of Health and Human Services
1801 Main Street, PO Box 8206
Columbia, SC 29201-8206

RECEIVED

JAN 20 2015

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Dear Mr. Keck:

Thank you for your correspondence dated November 11, 2014 requesting that the Centers for Medicare & Medicaid Services (CMS) approve South Carolina's Health Information Technology (HIT) Implementation Advance Planning Document-Update (IAPD-U) and the Memorandum of Agreement (MOA) between South Carolina Department of Health & Human Services and University of South Carolina School of Public Health. CMS has completed its review of this IAPD-U and MOA, (including revisions/supplemental information submitted on December 15, 2014).

South Carolina's HIT IAPD-U requests CMS funding as authorized under section 4201 of the American Recovery and Reinvestment Act of 2009 (the Recovery Act), Pub L. 111-5, and our regulations at 42 CFR § 495, subpart D.

The Social Security Act, as amended under section 4201 of the Recovery Act, as well as our final regulation at 42 CFR § 495.322, allows 90 percent federal funding participation (FFP) for administrative activities in support of implementing an incentive payment program for Medicaid eligible professionals and eligible hospitals for the adoption and meaningful use of certified electronic health record (EHR) technology. The state seeks approval of \$3,845,868 for HIT administrative funding covering Federal fiscal year 2015 (October 1, 2014 through September 30, 2015).

The State's MOA with University of South Carolina School of Public Health dated December 15, 2014 is to perform an environmental scan of the State HIT environment in accordance with federal rules and regulations. This HITECH activity, as outlined in the IAPD-Update, will not to exceed \$75,000 (Federal share \$67,500) for FFYs 2015. The term of the MOA begins on January 1, 2015 and will end on June 30, 2015

CMS approves the state's HIT IAPD-U effective January 1, 2014, in accordance with Federal regulations at 42 CFR § 495, subpart D. This approval letter supersedes any previous letters that may have been issued for the approval period noted above.

CMS approves \$3,461,281 of HITECH FFP for FFY 2015 as described in the table in Appendix A. Please note that this letter approves funding by Federal fiscal year. The amounts allocated per Federal fiscal year in

Appendix A:
HITECH Detailed Budget Table
Covers Federal Fiscal Year(s) 2015 (ending September 30, 2015)

	HIT CMS Share (90% FFP) HIT Administrative Funding	State Share (10%)	HIT CMS Share (90% FFP) HIE Funding	State Share (10%)	HIT ENHANCED FUNDING FFP Total	State Share Total	HIT ENHANCED FUNDING TOTAL COMPUTABLE
	24C & 24D†	—	24C & 24D†	—	24C & 24D†	—	
FFY 2015	\$3,461,281	\$384,587	\$0	\$0	\$3,461,281	\$384,587	\$3,845,868

†MBES Line Item	
24A	HIT – Planning: Cost of In-house Activities
24B	HIT – Planning: Cost of Private Contractors
24C	HIT – Implementation and Operation: Cost of In-house Activities
24D	HIT – Implementation and Operation: Cost of Private Contractors
24E	HIT – Incentive Payments: Eligible Professionals
24F	HIT – Incentive Payments: Eligible Hospitals
49	Other 50% - Title 19 (Medicaid) Other Financial Participation

FFP rates for specific activities and costs can be found at 76 FR 21949, available at <https://federalregister.gov/a/2011-9340>

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

January 13, 2015

SC-15-003

Mr. Christian L. Soura, Interim Director
Department of Health & Human Services
1801 Main Street
Columbia, SC 29201-8206

RECEIVED

JAN 20 2015

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Dear Mr. Soura:

The Centers for Medicare & Medicaid Services (CMS) approves the Implementation Advance Planning Document-Update (IAPD-U) that South Carolina submitted on December 29, 2014. The state submitted the IAPD-U to update the project schedule and financial tables to reflect the new date of national compliance, October 1, 2015, with the International Classification of Diseases, Version 10 (ICD-10) code set. CMS approves the new IAPU-U and designates it as the controlling document for the project.

Our approval of South Carolina's IAPD-U is subject to the requirements in regulations at 45 CFR Part 95, Subpart F, and 42 CFR Part 433, Subpart C. South Carolina 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 Part 11 of the SMM. 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.

Mr. Christian L. Soura
Page 2

I would like to thank you and your staff for your ongoing success in administering South Carolina's Medicaid Management Information System (MMIS). If there are any questions concerning this information, please contact L. David Hinson at (404) 562-7411 or via email at Lawrence.Hinson@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