


DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Singleten</i>	DATE <i>7-9-10</i>
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DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER  <i>100018</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____		
2. DATE SIGNED BY DIRECTOR  <i>cc: Ms. Fortney, Dep, CUS 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  
61 Forsyth St., SW, Suite 4120  
Atlanta, Georgia 30303-8909



June 30, 2010

**RECEIVED**

JUL 08 2010

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 April 7, 2010, requesting that the Centers for Medicare & Medicaid Services (CMS) review and approve a proposed Implementation Advance Planning Document (IAPD) to perform a GAP analysis of modifications necessary to make the existing Medicaid Management Information System (MMIS) process claims using ICD-10, and HIPPA code set 5010.

The State is requesting approval of \$421,546 at 90 percent federal financial participation. 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 June 23, 2010 and ends December 23, 2010.

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 projects 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 APD for this project will require our prior written approval to qualify for FFP. 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 efforts in developing and implementing the South Carolina ICD-10 Remediation 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,

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