

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Taylor</i>	DATE <i>11-21-14</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000121</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Director, 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  
Atlanta Regional Office  
61 Forsyth Street, Suite 4T20  
Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

November 17, 2014

SC-14-016

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

**RECEIVED**

**NOV 20 2014**

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 September 9, 2014. In accordance with 45 CFR Part 95.610, the state submitted the OAPD-U to summarize the operational activities and expenditures of its Care Call system contract for the most recent contract year, and to document its projected budget and other activities for federal fiscal year 2015. South Carolina contracts with First Data Government Solutions to perform home health claims processing and management. The state is budgeting \$2,813,856 (total federal financial participation (FFP) of \$1,757,592; \$1,051,992 at 75 percent; \$705,600 at 50 percent). This funding will expire on September 30, 2015.

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. Funding identified in the OAPD-U was previously approved by CMS in a letter to the state dated July 12, 2013, approving a contract with First Data Government Solutions for three base years and two one-year options. The contract expires December 18, 2017.

South Carolina 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.

Mr. Anthony E. Keck  
Page 2

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.

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 First Data Government Solutions contract is an important part. 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](mailto: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