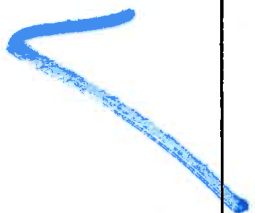


**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR**

ACTION REFERRAL

TO <i>Wells</i>	DATE <i>9-15-06</i>
------------------------	----------------------------

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000250</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 <small>(Only when prepared for director's signature)</small>	APPROVE	* DISAPPROVE <small>(Note reason for disapproval and return to preparer.)</small>	COMMENT
1.			
2.			
3.			
4.			

Department of Health & Human Services
Centers for Medicare & Medicaid Services
61 Forsyth St., Suite 4120
Atlanta, Georgia 30303-8909



September 7, 2006

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

Dog Wells
"Rec. Action"
cc: Rice

RECEIVED

SEP 15 2006

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Re: South Carolina Title XIX State Plan Amendment, Transmittal #06-007

Dear Mr. Kerr:

We have reviewed South Carolina's State Plan Amendment (SPA) 06-007 which was submitted to the Atlanta Regional Office on June 12, 2006. This State Plan Amendment proposes to modify the eligibility requirement for AFDC-related eligibility groups by establishing a resource/asset test.

Based on the information provided, we are pleased to inform you that South Carolina SPA 06-007 is approved. The effective date is July 1, 2006.

Copies of the signed CMS-179 form and approved plan pages 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****FOR: HEALTH CARE FINANCING ADMINISTRATION**

TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		1. TRANSMITTAL NUMBER: SC 06-007	2. STATE South Carolina
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)		4. PROPOSED EFFECTIVE DATE 07/01/06	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
6. FEDERAL STATUTE/REGULATION CITATION: 1902		7. FEDERAL BUDGET IMPACT: a. FFY 2006 \$ (7,781) b. FFY 2007 \$ (10,374)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: ATTACHMENT 2.6-A; Pages 19, 19a, 19b and 21 SUPPLEMENT 2 TO ATTACHMENT 2.6-A; Pages 1, 2, 3, 4 and 5 SUPPLEMENT 8b TO ATTACHMENT 2.6-A; Page 1 SUPPLEMENT 12 TO ATTACHMENT 2.6-A; Pages 2 and addendum		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): ATTACHMENT 2.6-A; Pages 19, 19a, 19b and 21 SUPPLEMENT 2 TO ATTACHMENT 2.6-A; Pages 1, 2, 3, 4 and 5 SUPPLEMENT 8b TO ATTACHMENT 2.6-A; Page 1 SUPPLEMENT 12 TO ATTACHMENT 2.6-A; Pages 2 and addendum	
10. SUBJECT OF AMENDMENT: Asset test for Family Independence Related Programs.			
11. GOVERNOR'S REVIEW (<i>Check One</i>): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		<input checked="" type="checkbox"/> 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: South Carolina Department of Health and Human Service Post Office Box 8206 Columbia, SC 29202-8206	
13. TYPED NAME: Robert M. Kerr			
14. TITLE: Director			
15. DATE SUBMITTED: June 12, 2006			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: June 12, 2006		18. DATE APPROVED: September 7, 2006	
19. EFFECTIVE DATE OF APPROVED MATERIAL: July 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: Approved with the following changes to Items 8 and 9: "SUPPLEMENT 12 TO ATTACHMENT 2.6-A; Pages 2 and addendum" changed to read "Supplement 12 TO ATTACHMENT 2.6-A; Pages 2 and 3". These changes were authorized by the State Agency on e-mail dated 9/7/06.			

State: South Carolina

Citation

Condition or Requirement

☒ Methods that are more liberal than those of SSI. The more liberal methods are specified in Supplement 5a or Supplement 8b to ATTACHMENT 2.6-A.

☐ Not applicable. The agency does not consider resources in determining eligibility.

In determining relative financial responsibility, the agency considers only the resources of spouses living in the same household as available to spouses and the resources of parents as available to children living with parents until the children become 21.

1902(1) (3) and
1902(r) (2) of
the Act

f. Poverty level infants covered under section 1902(a) (10) (A) (i) (IV) of the Act.

The agency uses the following methods for the treatment of resources:

☐ The methods of the State's approved AFDC plan.

☐ Methods more liberal than those in the State's approved AFDC plan (but not more restrictive), in accordance with section 1902(1) (3) (C) of the Act, as specified in Supplement 5a of ATTACHMENT 2.6-A.

☒ Methods more liberal than those in the State's approved AFDC plan (but not more restrictive), as described in Supplement 5a or Supplement 8b to ATTACHMENT 2.6-A.

☐ Not applicable. The agency does not consider resources in determining eligibility.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Carolina

ELIGIBILITY CONDITIONS AND REQUIREMENTS

Citation	Condition or Requirement
1902(1) (3) and 1902(r) (2) of the Act	g. 1. <u>Poverty level children covered under sections 1902(a) (10) (A) (1) (VI); of the Act.</u> The agency uses the following methods for the treatment of resources: <input type="checkbox"/> The methods of the State's approved AFDC plan. <input type="checkbox"/> Methods more liberal than those in the State's approved AFDC plan (but not more restrictive), in accordance with section 1902(1) (3) (C) of the Act, as specified in <u>Supplement 5a of ATTACHMENT 2.6-A.</u> <input checked="" type="checkbox"/> Methods more liberal than those in the State's approved AFDC plan (but not more restrictive), as described in <u>Supplement 8b to ATTACHMENT 2.6-A.</u> <input type="checkbox"/> Not applicable. The agency does not consider resources in determining eligibility. In determining relative financial responsibility, the agency considers only the resources of spouses living in the same household as available to spouses and the resources of parents as available to children living with parents until the children become 21.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Carolina

ELIGIBILITY CONDITIONS AND REQUIREMENTS

Citation	Condition or Requirement
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1902(1) (3) and 1902(x) (2) of the Act	g. 2. <u>Poverty level children covered under sections 1902(a) (10) (A) (i) (VII)</u>
--	---

The agency uses the following methods for the treatment of resources:

☐ The methods of the State's approved AFDC plan.

1902(1) (3) (C)
of the Act

☐ Methods more liberal than those in the State's approved AFDC plan (but not more restrictive), as described in Supplement 5a of ATTACHMENT 2.6-A.

1902(x) (2)
of the Act

☒ Methods more liberal than those in the State's approved AFDC plan (but not more restrictive), as described in Supplement 8a to ATTACHMENT 2.6-A.

☐ Not applicable. The agency does not consider resources in determining eligibility.

In determining relative responsibility, the agency considers only the resources of spouses living in the same household as available to spouses and the resources of parents as available to children living with parents until the children become 21.

State: South Carolina

ELIGIBILITY CONDITIONS AND REQUIREMENTS

Citation	Condition or Requirement
1902(1)(3)(A), (B) and (C) of the Act	c. For pregnant women and infants covered under the provisions of section 1902(a)(10)(A)(i)(IV) and 1902(a)(10)(A)(i)(IX) of the Act, the agency applies a resource standard. <input checked="" type="checkbox"/> Yes. <u>Supplement 2 to ATTACHMENT 2.6-A</u> specifies the standard which, for pregnant women, is no more restrictive than the standard under the SSI program; and for infants is no more restrictive than the standard applied in the State's approved AFDC plan. <input type="checkbox"/> No. The agency does not apply a resource standard to these individuals.
1902(1)(3)(A) and (C) of the Act	d. For children covered under the provisions of section 1902(a)(10)(A)(i)(VI) and (VII) of the Act, the agency applies a resource standard. <input checked="" type="checkbox"/> Yes. <u>Supplement 2 to ATTACHMENT 2.6-A</u> specifies the standard which is no more restrictive than the standard applied in the State's approved AFDC plan. <input type="checkbox"/> No. The agency does not apply a resource standard to these individuals.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Carolina

RESOURCE LEVELS

A. CATEGORICALLY NEEDY GROUPS WITH INCOMES RELATED TO FEDERAL POVERTY LEVEL

1. Pregnant Women

a. Mandatory Groups

☐ Same as SSI resources levels.

☒ Less restrictive than SSI resource levels and is as follows:

<u>Family Size</u>	<u>Resource Level</u>
<u>1</u>	<u>30,000</u>
<u>2</u>	<u>30,000</u>
For all Family Sizes	<u>30,000</u>

b. Optional Groups

☐ Same as SSI resources levels.

☐ Less restrictive than SSI resource levels and is as follows:

<u>Family Size</u>	<u>Resource Level</u>
<u>1</u>	<u>1</u>
<u>2</u>	<u>2</u>

TN No.: 06-007
Supersedes

Approval Date: 09/07/06

Effective Date: 07/01/06

TN No.: 92-07

HCFA ID: 7985E

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Carolina

2. Infants

a. Mandatory Group of Infants

- ☐ Same as resource levels in the State's approved AFDC plan.
☒ Less restrictive than the AFDC levels and are as follows:

<u>Family Size</u>	<u>Resource Level</u>
<u>1</u>	<u>30,000</u>
<u>2</u>	<u>30,000</u>
<u>3</u>	<u>30,000</u>
<u>4</u>	<u>30,000</u>
<u>5</u>	<u>30,000</u>
<u>6</u>	<u>30,000</u>
<u>7</u>	<u>30,000</u>
<u>8</u>	<u>30,000</u>
<u>9</u>	<u>30,000</u>
<u>10</u>	<u>30,000</u>
For all Family Sizes	<u>30,000</u>

TN No.: 06-007
Supersedes
TN No.: 92-07

Approval Date: 09/07/06

Effective Date: 07/01/06

HCFA ID: 7985E

Revision: HCFA-PM-91-4
August 1991

(BPD)

SUPPLEMENT 2 TO ATTACHMENT 2.6-A
Page 3
OMB No.: 0938

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Carolina

b. Optional Group of Infants

- ☐ Same as resource levels in the State's approved AFDC plan.
☐ Less restrictive than the AFDC levels and are as follows:

<u>Family Size</u>	<u>Resource Level</u>
<u>1</u>	
<u>2</u>	
<u>3</u>	
<u>4</u>	
<u>5</u>	
<u>6</u>	
<u>7</u>	
<u>8</u>	
<u>9</u>	
<u>10</u>	

TN No.: 06-007
Supersedes
TN No.: 92-07

Approval Date: 09/07/06

Effective Date: 07/01/06

HCFA ID: 7985E

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Carolina

3. Children

a. Mandatory Group of Children of Children under Section 1902(a)(10)(A)(i)(VI) of the Act. (Children who have attained age 1 but have not attained age 6.)

☐ Same as resource levels in the State's approved AFDC plan.

☒ Less restrictive than the AFDC levels and are as follows:

<u>Family Size</u>	<u>Resource Level</u>
<u>1</u>	<u>30,000</u>
<u>2</u>	<u>30,000</u>
<u>3</u>	<u>30,000</u>
<u>4</u>	<u>30,000</u>
<u>5</u>	<u>30,000</u>
<u>6</u>	<u>30,000</u>
<u>7</u>	<u>30,000</u>
<u>8</u>	<u>30,000</u>
<u>9</u>	<u>30,000</u>
<u>10</u>	<u>30,000</u>
For all Family Sizes	<u>30,000</u>

TN No.: 06-007
Supersedes
TN No.: 92-07

Approval Date: 09/07/06

Effective Date: 07/01/06

HCFA ID: 7985E

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Carolina

MORE LIBERAL METHODS OF TREATING RESOURCES
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 individuals with income under poverty, specified Low-Income Medicare Beneficiaries, individuals in institutions, individuals receiving home and community based services (i.e. individuals whose eligibility is determined under a special income level), and the Working Disabled:

1. the value of one automobile is excluded;
2. the value of life estate interest in real property is excluded;
3. the value of household goods and personal effects is excluded;
4. the value of undivided interest in heirs property is excluded;
5. the cash value of life insurance is excluded if the combined face value of all policies is \$5000 or less; and
6. resource determination are not restricted to the first moment of the first day of the month. An individual who is otherwise eligible and whose resources are within the limit as anytime during the month is eligible for Medicaid for the entire month.

B. For AFDC related groups:

1. Primary residence and the land on which it is located, as well as other buildings on this property is excluded;
2. Qualified retirement plans are excluded;
3. Cash value of Life Insurance policies with face value of \$10,000 or less and for which the cash value does not exceed the face value is excluded;
4. The exclusion of \$1500 of equity value for bona fide funeral arrangements for AFDC-related groups also includes revocable burial contracts, revocable trusts, installment sales contracts for burial spaces, cash, financial accounts such as checking, savings, or CD's, stocks or bonds, life insurance cash value;
5. The equity value of \$20,000 or less for one vehicle, not used for producing income, for each licensed driver is excluded;

TN No.: 06-007
Supersedes
TN No.: 98-14

Approval Date: 09/07/06

Effective Date: 07/01/06

HCFA ID: 7985E

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Carolina

1. Disregarded \$1500 equity value of one vehicle.
2. Counted all income for purposes of the 185% gross income test
3. Applied \$30 plus 1/3 disregard

X The agency terminates medical assistance (except for certain pregnant women and children) for individuals who fail to meet TANF work requirements.

X The agency continues to apply the following waivers of provisions of Part A of Title IV in effect as of July 16, 1996, or submitted prior to August 22, 1996, and approved by the Secretary on or before July 1, 1997.

Waiver of sections 402(a)(41), 45 CFR 233.100 and 45 CFR 233.100(c) through which the State eliminated the 100-hour rule when determining eligibility of two parent families. This allows the deprivation requirement to be met even if the principal earner is employed more than the 100 hours.

TN No.: 06-007
Supersedes
TN No.: 98-004

Approval Date: 09/07/06

Effective Date: 07/01/06
HCFA ID: 7985E