

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

ACTION REFERRAL

TO <i>Wells</i>	DATE <i>2-14-08</i>
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<p align="center">DIRECTOR'S USE ONLY</p> <p>1. LOC NUMBER 000424</p> <p>2. DATE SIGNED BY DIRECTOR _____</p>	<p align="center">ACTION REQUESTED</p> <p><input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____</p> <p><input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____</p> <p><input type="checkbox"/> FOIA DATE DUE _____</p> <p><input checked="" type="checkbox"/> Necessary Action</p>
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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.			

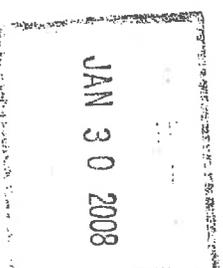


DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

7500 Security Boulevard
Baltimore, MD 21244

Robert M. Kerr
Executive Director
Department of Health and Human Services
P.O. Box 8206
Columbia, SC 292028206



Dear Sir or Madam:
SUPPLEMENTAL

The grant awards listed below have been approved for the period 01/01/2008 - 03/31/2008 under Appropriation 75X0512 Centers for Medicare & Medicaid Services. Any unused grant award authority may be carried forward and used in a subsequent period.

Medical Assistance Payments	\$(38,005,568)
Medicaid State Children's Health Insurance Program Payments	\$0
Administration Payments	\$(2,599,161)
Total Grant Awards	\$(40,604,749)

The above listed grant awards provide Federal funds for expenditures made in accordance with your State plan approved under Title XIX of the Social Security Act. Computation of the awards is shown on the enclosed statement.

With the acceptance of these awards, you agree to be responsible for limiting the drawing of Federal funds so as to minimize Federal cash on hand in accordance with policies established in Treasury Circular 1075 (Revised), and procedures established by the Department of Health and Human Services. You also agree to submit timely reports as required. Withdrawals of Federal funds are not to exceed the individual programmatic grant awards shown above. You also are required to provide for effective control over the accountability for all Federal funds as stated in Office of Management and Budget Circular No. 1075 (Revised). Failure to adhere to the above requirements may cause the unobligated portion of your letter-of-credit to be revoked. Part 92, Title 45, Code of Federal Regulations implements these circulars for this Department.

Any questions you may have in connection with the grant award should be referred to the appropriate Centers for Medicare & Medicaid Services' regional office financial contact for your State.

Payment under this award will be made by the Department of Health and Human Services, Payment Management System administered by the Division of Payment Management (DPM), Program Support Center. Inquiries regarding payment should be directed to:

Director, Division of Payment Management
Post Office Box 6021
Rockville, Maryland 20852-0605
Telephone Number (301) 443-1660

Please transmit a copy of this grant award document to the State official authorized to request funds from the Division of Payment Management.

Sincerely yours,


Director,
Division of Financial Operations

Enclosures 25
FORM CMS-1547(7-90)



FEB 14 2008

Department of Health & Human Services
OFFICE OF THE DIRECTOR

FOOTNOTES

STATE South Carolina

QUARTER/FISCAL YEAR Second/2008

A. \$(51,502) refers to interest collected and reported on Line 5. of the CMS-64 Summary Sheet by the State on Drug Rebates;

JAN 30 2008

B.

MAP	ADM	
\$ 0	\$ 0	Increasing Claims Prior to 10/01/05
<u>-129,150,266</u>	<u>0</u>	Increasing Claims After 09/30/05
-129,151,266	0	Total Increasing Claims
<u>+128,831,460</u>	<u>-</u>	Decreasing Claims
<u>319,806</u>	<u>0</u>	Net Adjustment

C. \$54,013 represents a Line 9C adjustment for Civil Monetary Penalty Collections. This amount is not being used in the grant award computation to preclude a duplicate adjustment.

D. \$6,562,317 represents M-SCHIP expenditures. See Attachment 9.

E. See attachments 1 thru 21.

F. A grant award based on the estimate for the second quarter fiscal year 2008 was issued January 1, 2008.

G. The funding authorized by this grant award is paid subject to any future financial management review or audit.

FOOTNOTES

STATE South Carolina

QUARTER/FISCAL YEAR Second/2008

MEMORANDUM

JAN 30 2008

1. Interest Collected on Drug Rebates - Line 5.
\$51,502 refers to interest collected and reported on Line 5. of the CMS-64 Summary Sheet by the State on Drug Rebates, Document #05-0705SC5028, and CAN # 859993312.
2. DSH Adjustment
The law required that the yearly limitation on DSH expenditures be calculated against the total computable for fiscal years 1993 through 1997. However, Section 4721 (a) of the BBA replaces the current DSH allotment methodology with statutorily defined Federal DSH allotments. For Federal fiscal years 1998 through 2002, the Federal DSH allotments are listed in the Statute (1923 (F) of the Act.) See attached DSH schedules for the status of your allotment.
3. Part B Premium 100% Funding. See attachments 10 thru 19.
4. Chip Expenditures Reported: See attachment CMS-21C.
5. TANF expenditures Reported: See attachments 20 and 21.

VERIFICATION OF GRANT AWARD FUNDING
 Medical Assistance Payments (MAP)

JAN 30 2008

STATE: South Carolina

QUARTER/FISCAL YEAR:

Second/2008

	FY <u>2004</u> And Prior	FY 2005	FY 2006	FY 2007	Total
CMS-64 Summary					
Line 6	\$		\$	\$ 697,188,398	\$ 697,188,398
Line 7			(140,375,385)	(55,040,844)	(195,416,229)
Line 8				66,264,963	66,264,963
Line 9				(19,753,354)	(19,753,354)
Line 10 A. & B.			140,381,766	(11,433,773)	128,947,993
Line 10 C.				(116,533)	(116,533)
Net Expenditures	\$ 0	\$ 0	\$ 6,381	\$ 677,108,857	\$ 677,115,238
Less:					
Waivers					0
M-SCHIP			54,452	6,507,865	6,562,317
Katrina UCCP Waivers					0
Net MAP Expenditures	\$ 0	\$ 0	\$ (48,071)	\$ 670,600,992	\$ 670,552,921
Adjustments					
Transfers					0
Line 9C Adj Global Settle					0
CMP's				54,013	54,013
Deferrals					0
Disallowances					0
Subtotal	\$ 0	\$ 0	\$ (48,071)	\$ 670,655,005	\$ 670,606,934
Interest on					0
Disallowances					0
Other Drug Rebate				(51,502)	(51,502)
Part B Offset					0
Part B Interest					0
Adjusted Funding	\$ 0	\$ 0	\$ (48,071)	\$ 670,603,503	\$ 670,555,432
Less: Federal Advances				708,561,000	708,561,000
Total Funding	\$ 0	\$ 0	\$ (48,071)	\$ (37,957,497)	\$ (38,005,568)

VERIFICATION OF GRANT AWARD FUNDING
 Disproportionate Share Hospitals (DSH)
 FEDERAL SHARE

JAN 30 2008

STATE: South Carolina

QUARTER/FISCAL YEAR:

Second/2008

	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997
REPORTED THIS QUARTER					
Line 6	\$	\$	\$	\$	\$
Line 7					
Line 8					
Line 9					
Line 10 A. & B.					
Line 10 C.					
Adjustments					
SUBTOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PREVIOUSLY REPORTED	\$ 313,460,000	\$ 312,580,697	\$ 310,952,672	\$ 311,217,444	\$ 309,722,264
BALANCE	\$ 313,460,000	\$ 312,580,697	\$ 310,952,672	\$ 311,217,444	\$ 309,722,264
CAP	\$ 313,460,215	\$ 312,580,697	\$ 310,953,589	\$ 311,217,444	\$ 309,722,264
REMAINING BALANCE	\$ 215	\$ 0	\$ 917	\$ 0	\$ 0

VERIFICATION OF GRANT AWARD FUNDING
 Disproportionate Share Hospitals (DSH)
 FEDERAL SHARE

JAN 30 2008

STATE: South Carolina

QUARTER/FISCAL YEAR:

Second/2008

	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
REPORTED THIS QUARTER					
Line 6	\$	\$	\$	\$	\$
Line 7					
Line 8					
Line 9					
Line 10 A. & B.					
Line 10 C.					
Adjustments					
SUBTOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PREVIOUSLY REPORTED	\$ 313,000,000	\$ 303,000,001	\$ 262,000,000	\$ 271,170,000	\$ 271,170,000
BALANCE	\$ 313,000,000	\$ 303,000,001	\$ 262,000,000	\$ 271,170,000	\$ 271,170,000
CAP	\$ 313,000,000	\$ 303,000,000	\$ 262,000,000	\$ 271,170,000	\$ 278,220,420
REMAINING BALANCE	\$ 0	(1)	\$ 0	\$ 0	\$ 7,050,420

VERIFICATION OF GRANT AWARD FUNDING
 Disproportionate Share Hospitals (DSH)
 FEDERAL SHARE

JAN 30 2008

STATE: South Carolina

QUARTER/FISCAL YEAR:

Second/2008

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
REPORTED THIS QUARTER					
Line 6	\$	\$	\$	\$	\$ 81,695,056
Line 7					
Line 8					66,264,963
Line 9					
Line 10 A. & B.					(66,474,451)
Line 10 C.					
Adjustments					
SUBTOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 81,485,568
PREVIOUSLY REPORTED	\$ 265,908,883	\$ 308,478,800	\$ 308,478,800	\$ 308,478,799	\$ 226,993,231
BALANCE	\$ 265,908,883	\$ 308,478,800	\$ 308,478,800	\$ 308,478,799	\$ 308,478,799
CAP	\$ 265,930,000	\$ 308,478,800	\$ 308,478,800	\$ 308,478,800	\$ 308,478,800
REMAINING BALANCE	\$ 21,117	0	\$ 0	\$ 1	\$ 1

VERIFICATION OF GRANT AWARD FUNDING
 Disproportionate Share Hospitals (DSH)
 TOTAL COMPUTABLE

JAN 30 2008

STATE: South Carolina

QUARTER/FISCAL YEAR:

Second/2008

	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997
REPORTED THIS QUARTER					
Line 6	\$	\$	\$	\$	\$
Line 7					
Line 8					
Line 9					
Line 10 A. & B.					
Line 10 C.					
Adjustments					
SUBTOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PREVIOUSLY REPORTED	\$ 439,758,699	\$ 439,758,999	\$ 438,757,705	\$ 439,759,000	\$ 439,759,000
BALANCE	\$ 439,758,699	\$ 439,758,999	\$ 438,757,705	\$ 439,759,000	\$ 439,759,000
CAP	\$ 439,759,000	\$ 439,759,000	\$ 439,759,000	\$ 439,759,000	\$ 439,759,000
REMAINING BALANCE	\$ 301	1	\$ 1,001,295	\$ 0	\$ 0

VERIFICATION OF GRANT AWARD FUNDING
 Disproportionate Share Hospitals (DSH)
 TOTAL COMPUTABLE

STATE: South Carolina

QUARTER/FISCAL YEAR:

Second/2008

	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
REPORTED THIS QUARTER					
Line 6	\$	\$	\$	\$	\$
Line 7					
Line 8					
Line 9					
Line 10 A. & B.					
Line 10 C.					
Adjustments					
SUBTOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PREVIOUSLY REPORTED	\$ 445,678,485	\$ 433,786,686	\$ 374,553,252	\$ 384,965,928	\$ 391,072,974
BALANCE	\$ 445,678,485	\$ 433,786,686	\$ 374,553,252	\$ 384,965,928	\$ 391,072,974
CAP	\$ 445,678,485	\$ 433,786,686	\$ 374,553,252	\$ 384,965,928	\$ 401,240,871
REMAINING BALANCE	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,167,897

VERIFICATION OF GRANT AWARD FUNDING
 Disproportionate Share Hospitals (DSH)
 TOTAL COMPUTABLE

JAN 30 2008

STATE: South Carolina

QUARTER/FISCAL YEAR:

Second/2008

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
REPORTED THIS QUARTER					
Line 6	\$	\$	\$	\$	\$ 117,479,230
Line 7					
Line 8					95,290,427
Line 9					
Line 10 A. & B.					(95,591,675)
Line 10 C.					
Adjustments					
SUBTOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 117,177,982
PREVIOUSLY REPORTED	\$ 380,899,723	\$ 441,567,134	\$ 441,377,593	\$ 445,006,921	\$ 326,421,098
BALANCE	\$ 380,899,723	\$ 441,567,134	\$ 441,377,593	\$ 445,006,921	\$ 443,599,080
CAP	\$ 380,933,964	\$ 441,567,134	\$ 441,377,593	\$ 445,006,924	\$ 443,599,080
REMAINING BALANCE	\$ 34,241	\$ 0	\$ 0	\$ 3	\$ 0

VERIFICATION OF GRANT AWARD FUNDING
 Administration (ADM)

JAN 30 2008

STATE: South Carolina

QUARTER/FISCAL YEAR:

Second/2008

	FY And Prior 2004	FY 2005	FY 2006	FY 2007	Total
CMS-64 Summary					
Line 6	\$	\$	\$	\$ 16,512,147	\$ 16,512,147
Line 7					0
Line 8					0
Line 9				(14,328)	(14,328)
Line 10 A. & B.					0
Net Expenditures	\$ 0	\$ 0	\$ 0	\$ 16,497,819	\$ 16,497,819
Less:					
Waivers					0
Net ADM Expenditures	\$ -	\$ -	\$ -	\$ 16,497,819	\$ 16,497,819
Adjustments					
Transfers					0
Line 10 Adjustments					0
Deferrals					0
Disallowances					0
Subtotal	\$ 0	\$ 0	\$ 0	\$ 16,497,819	\$ 16,497,819
Interest on Disallowances					0
Other					0
TPL					0
Adjusted Funding	\$ 0	\$ 0	\$ 0	\$ 16,497,819	\$ 16,497,819
Less: Federal Advances				19,097,000	19,097,000
Total Funding	\$ -	\$ -	\$ -	\$ (2,599,181)	\$ (2,599,181)

VERIFICATION OF GRANT AWARD FUNDING
 Medicaid State Children's Health Insurance Plan (M-SCHIP) 3 0 2008

STATE: South Carolina QUARTER/FISCAL YEAR: Second/2008

	FY 2004	FY 2005	FY 2006	FY 2007	Total
CMS-64 Summary					
Line 6	\$		\$	\$ 6,509,302	\$ 6,509,302
Line 7			(5,796,470)	(2,356,624)	(8,153,094)
Line 8					0
Line 9			5,850,922	2,355,187	8,206,109
Line 10 A. & B.					0
Line 10 C.					0
Net Expenditures	\$ 0	\$ 0	\$ 54,452	\$ 6,507,865	\$ 6,562,317
Less:					
Waivers					0
M-SCHIP					0
Net MAP Expenditures	\$ 0	\$ 0	\$ 54,452	\$ 6,507,865	\$ 6,562,317
Adjustments					
Transfers					0
Line 10 Adj					0
CMP's					0
Deferrals					0
Disallowances					0
Subtotal	\$ 0	\$ 0	\$ 54,452	\$ 6,507,865	\$ 6,562,317
Interest on					0
Disallowances					0
Other					0
Adjusted Funding	\$ 0	\$ 0	\$ 54,452	\$ 6,507,865	\$ 6,562,317
Less: Federal Advances					0
Total Funding	\$ 0	\$ 0	\$ 54,452	\$ 6,507,865	\$ 6,562,317

