

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

ACTION REFERRAL

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| TO | DATE |
| <i>Wells</i> | <i>12-21-07</i> |

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| DIRECTOR'S USE ONLY | ACTION REQUESTED |
| 1. LOG NUMBER 000301 | <input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____ |
| 2. DATE SIGNED BY DIRECTOR <i>cc: Ms. Farner, Depo</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 |
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Department of Health & Human Services
Centers for Medicare & Medicaid Services
61 Forsyth St, Suite 41720
Atlanta, Georgia 30303-8909



log: Welby

c: EF, Nym

Mc act

RECEIVED

DEC 21 2007

Department of Health & Human Services
OFFICE OF THE DIRECTOR

December 18, 2007

Ms. Susan B. Bowling, Acting Director
South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29202-8206

Re: South Carolina Title XIX State Plan Amendment, Transmittal #07-005

Dear Ms. Bowling:

We have reviewed South Carolina's State Plan Amendment (SPA) 07-005, which was submitted to the Atlanta Regional Office on September 27, 2007. This SPA terminates the Alternate Reimbursement Methodology (ARM) for Physicians's Primary Care Services effective September 1, 2007.

Based on the information provided, we are pleased to inform you that South Carolina SPA 07-005 was approved on December 17, 2007. The effective date is September 1, 2007. The signed CMS-179 and the approved plan pages are enclosed. If you have any questions regarding this amendment, please contact Mark Halter at (404) 562-7419.

Sincerely,

for Jay Gavens
Acting Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
SC 07-005

2. STATE
South Carolina

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
September 1, 2007

5. TYPE OF PLAN MATERIAL (*Check One*):

NEW STATE PLAN

AMENDMENT TO BE CONSIDERED AS NEW PLAN

AMENDMENT

6. FEDERAL STATUTE/REGULATION CITATION: COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

7. FEDERAL BUDGET IMPACT:

a. FFY 2007 \$-0-
b. FFY 2008 \$-0-

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
Attachment 4.19-B, Page 2b.1 OR ATTACHMENT (*If Applicable*):

Attachment 4.19-B, Page 2b.1

10. SUBJECT OF AMENDMENT:
Delete/discontinue the Alternate Reimbursement Methodology (ARM)

11. GOVERNOR'S REVIEW (*Check One*):
- GOVERNOR'S OFFICE REPORTED NO COMMENT
 - COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 - NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:
Ms. Forkner was designated by the
Governor to review and approve all
State Plans

12. SIGNATURE OF STATE AGENCY OFFICIAL:

16. RETURN TO:

Emma Shuler
13. TYPED NAME:
Emma Forkner

South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, SC 29202-8206

14. TITLE:
Director

15. DATE SUBMITTED:
September 27, 2007

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:
10/27/07

18. DATE APPROVED:
12/17/07

19. EFFECTIVE DATE OF APPROVED MATERIAL:
09/01/07

20. SIGNATURE OF REGIONAL OFFICIAL:
Jeffrey M. Nelson for Jay Gavens

21. TYPED NAME:
Jay Gavens

22. TITLE: Acting Associate Regional Administrator
Division of Medicaid & Children's Health OPNS

23. REMARKS:

- In the event that a physician receiving reimbursement from the Professional Trauma Fund is also a teaching physician receiving supplemental teaching payments, the SCDHHS will ensure that the addition of the professional trauma fund payments to the Medicaid revenue received by the teaching physicians (i.e. fee for service payments and supplemental teaching payments) will not exceed the limits established under the Supplemental Teaching Physician Payment Program.

A Primary Care Access Incentive Payment to actively enrolled primary care physicians who have served a large volume of Medicaid recipients will be developed based on the volume of unduplicated recipients served by any given physician during the first three quarters of the state's fiscal year. The primary care services which the SCDHHS will use in order to determine the number of unduplicated Medicaid recipients will consist of office visits, prenatal and postpartum visits, and Early and Periodic Screening, Diagnosis and Treatment exams. The purpose of these payments will be to ensure and increase access of primary care services to Medicaid recipients.

Primary Care Incentive Payments were discontinued effective July 1, 1998.

The Primary Care Access Incentive Payment (when added to Prior payments for services rendered during the specified period) will not

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