

May 26, 2011

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

Re: South Carolina Title XIX State Plan Amendment, Transmittal #08-021

Dear Mr. Keck:

We have reviewed the proposed amendment to the South Carolina Medicaid State Plan that was submitted under transmittal number 08-021 and received in the Regional Office on September 5, 2008. This State Plan Amendment was submitted to convert the previously sunset Certified Public Expenditure (CPE) funding arrangement to an Intergovernmental Transfer (IGT) funding arrangement for the applicable state agencies that provide special needs transportation (SNT) services and targeted population transportation services and to change the daily rate to a route rate. The rates were not changed and SC is continuing to cost settle therefore SC has sunset the Department of Education (DOE) direct cost rate methodology as of June 30, 2012 until the direct cost methodology can be amended.

Based on the information provided, we are now ready to approve the Medicaid State Plan Amendment 08-021. This SPA was approved on May 26, 2011. The effective date for this amendment is October 1, 2008. We are also enclosing the approved HCFA-179 and plan pages.

If you have any questions or need any further assistance, please contact Yvette Moore at (404) 562-7327.

Sincerely,

/s/

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

Enclosures