Department of Health & Human Services Centers for Medicare & Medicaid Services 61 Forsyth Street, SW, Suite 4T20 Atlanta, Georgia 30303-8909



March 20, 2012

Mr. Anthony E. Keck, 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 #11-024

Dear Mr. Keck:

We have reviewed the proposed amendment to the South Carolina Medicaid State Plan transmittal #11-024 that was received in the Regional Office on December 22, 2011. This State plan amendment updates the hospital specific multiplier with the effective date of October 1, 2011. This multiplier is necessary to comply with the hospital fiscal year end outpatient hospital cost to charge ratios that were adjusted to take into account the effect of the April 8, 2011 or July 11, 2011 payment reductions that are currently outlined in the current approved 4.19B state plan pages. Also, this amendment exempts all SC large rural hospitals as defined by Rural/Urban commuting area classes with total licensed beds of 90 or less as exempt from the July 11, 2011 payment reductions.

Based on the information provided, we are now ready to approve the Medicaid State Plan Amendment SC 11-024. This SPA was approved on March 19, 2012. The effective date of this amendment is October 1, 2011. We are enclosing the approved form HCFA-179 and plan pages.

If you have any questions, please contact Yvette Moore at 404-562-7327.

Sincerely,

Jackie Blaze

Associate Regional Administrator

Division of Medicaid & Children's Health Operations

Enclosures