

DEPARTMENT OF HEALTH & HUMAN SERVICES
Health Care Financing Administration



Center for Medicaid and State Operations
Family and Children's Health Programs Group
7500 Security Boulevard
Baltimore, MD 21244-1850

AUG 11 1999

James W. Ellenbecker
Secretary
Department of Social Services
700 Governors Drive
Pierre, South Dakota 57501-2291

Dear Mr. Ellenbecker:

Thank you for the amendment, dated June 22, 1999, to your State Children's Health Insurance Program State plan under Title XXI of the Social Security Act (the Act). As you are aware, your proposal has been undergoing review by the Department of Health and Human Services. In order to proceed with our review, additional information will be required. Our concerns relate to the following areas:

1. Section 2107(d) of the Act requires the State to include a description of the budget for the plan. The description shall include details on the planned use of funds and the sources of **the** non-Federal share of plan expenditures, including any requirements for cost-sharing for beneficiaries. Please provide a 3-year budget for the amendment including the above information, total administrative costs, and a detailed breakout of administrative expenditures.
2. In addition, please tell us how many children will be covered by this amendment.

Under Section 2106(c) of the Act, HCFA must either approve, disapprove, or request additional information on a proposed Title XXI State Plan Amendment within 90 days. This letter constitutes our notification that specified additional information is needed in order to fully assess your amendment. The 90-day review period has been stopped by this request and will resume as soon as a substantive response to all of the enclosed questions is received. The members of the review team would be happy to answer any questions you may have in regard to this letter and to assist your staff in formulating a response.

Please send your response, either on disk or electronically, as well as in hard copy, to Saul Goldberg, project officer for South Dakota's Title XXI program, with a copy to Spencer Ericson, Associate Regional Administrator for the HCFA Region VIII Division of Medicaid and State Operations. Mr. Goldberg's Internet address is Sgoldberg@HCFA.GOV. His mailing address is:

Health Care Financing Administration
Mail Stop S2-01-16
7500 Security Boulevard
Baltimore, Maryland 21244-1850

We appreciate the efforts of your staff and share your goal of providing health care to low income, uninsured children through Title XXI. If you have questions or concerns regarding the matters raised in this letter, your staff may contact Mr. Goldberg at (410) 786-6964 or Mr. Ericson at (303) 844-2121. They will provide or arrange for any technical assistance that you may require in preparing your response. Your cooperation is greatly appreciated.

Sincerely,

Richard L. Fenton
Deputy Director

cc: Denver Regional Office