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## 42 C.F.R. § 433.112

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### FFP for design, development, installation or enhancement of mechanized processing and information retrieval systems.

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- (a) Subject to paragraph (c) of this section, FFP is available at the 90 percent rate in State expenditures for the design, development, installation, or enhancement of a mechanized claims processing and information retrieval system only if the APD is approved by CMS prior to the State's expenditure of funds for these purposes.
- (b) CMS will approve the E&E or claims system described in an APD if certain conditions are met. The conditions that a system must meet are:
- (1) CMS determines the system is likely to provide more efficient, economical, and effective administration of the State plan.
  - (2) The system meets the system requirements, standards and conditions, and performance standards in Part 11 of the State Medicaid Manual, as periodically amended.
  - (3) The system is compatible with the claims processing and information retrieval systems used in the administration of Medicare for prompt eligibility verification and for processing claims for persons eligible for both programs.
  - (4) The system supports the data requirements of quality improvement organizations established under Part B of title XI of the Act.
  - (5) The State owns any software that is designed, developed, installed or improved with 90 percent FFP.
  - (6) The Department has a royalty free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use and authorize others to use, for Federal Government purposes, software, modifications to software, and documentation that is designed, developed, installed or enhanced with 90 percent FFP.

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