

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer



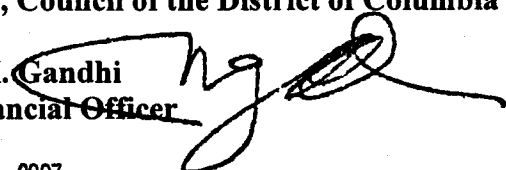
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Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

CHAIRMAN GRAY

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: JUN 28 2007

SUBJECT: Fiscal Impact Statement – “Medicaid State Plan Amendment to Educate Employees about False Claims Recovery Approval Resolution of 2007”

REFERENCE: Draft Bill - No Number Available

Conclusion

Funds are sufficient in the FY 2007 budget and the proposed FY 2008 through FY 2011 budget and financial plan to implement the proposed resolution. The affected agencies can absorb the cost of establishing written policies and educating employees about the False Claims Act without additional appropriations.

Background

On February 8, 2006, Congress enacted the Deficit Reduction Act of 2005 which amended the Social Security Act by adding a new section 1902 (a) (68) to require government agencies and contractors doing business with government agencies that receive or make five million dollars (\$5,000,000) or more in payments under Title XIX of the Social Security Act to establish written policies and educate employees about the False Claims Act as a condition of payment. If approved, the proposed State Plan Amendment will implement the provisions of this section.

Financial Plan Impact

Funds are sufficient in the FY 2007 budget and the proposed FY 2008 through FY 2011 budget and financial plan to implement the proposed resolution. The affected agencies can absorb the cost of establishing written policies and educating employees about the False Claims Act without additional appropriations.