

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Center for Medicaid and State Operations

MAR 22 2007

SMDL #07-003

Dear State Medicaid Director:

We are writing to offer additional guidance to State Medicaid agencies on the implementation of section 6032 of the Deficit Reduction Act of 2005. This provision establishes section 1902(a)(68) of the Social Security Act (the Act), and relates to "Employee Education About False Claims Recovery."

The enclosed Frequently Asked Questions will supplement the guidance the Centers for Medicare & Medicaid Services (CMS) provided in State Medicaid Director Letter #06-024, issued on December 13, 2006. States had also requested an official description of the Federal False Claims Act for purposes of uniformity. The Department of Justice has provided that description and it is also enclosed.

We hope this information is helpful to you. CMS considers this final guidance effective immediately. Please feel free to contact Robb Miller, Director, Medicaid Integrity Group, at 410-786-8705, if there are questions.

Sincerely,

Dennis G. Smith
Director

Enclosures

Page 2 – State Medicaid Director

cc:

CMS Regional Administrators

CMS Associate Regional Administrators,
Division of Medicaid and Children's Health

Martha Roherty
Director, Health Policy Unit
American Public Human Services Association

Joy Wilson
Director, Health Committee
National Conference of State Legislatures

Matt Salo
Director of Health Legislation
National Governors Association

Jacalyn Bryan Carden
Director of Policy and Programs
Association of State and Territorial Health Officials

Christie Raniszewski Herrera
Director, Health and Human Services Task Force
American Legislative Exchange Council

Lynne Flynn
Director for Health Policy
Council of State Governments