



DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



DATE: April 9, 2020

TO: All Medicaid Fraud Control Unit Directors

FROM: Alexis Crowley
Grants Management Officer

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SUBJECT: Office of Inspector General (OIG) Implementation of OMB Memorandum on Administrative Relief for Federal Grant Awardees During COVID-19 Pandemic

The purpose of this memo is to provide administrative flexibilities to State Medicaid Fraud Control Units (MFCUs) as authorized by Office of Management and Budget (OMB) Memorandum M-20-17, <https://www.whitehouse.gov/wp-content/uploads/2020/03/M-20-17.pdf> “Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) due to Loss of Operations,” dated March 19, 2020.

Consistent with the OMB memo, OIG is committed to providing the greatest flexibilities, to the extent permitted by law, as you fulfill the mission of the MFCU program. However, for any items discussed in this memo, as for all grant expenditures, it is also important you maintain appropriate records necessary to support charges to MFCU awards.

Please note that these administrative flexibilities are time limited. OMB will reassess within 90 days of the memo date, or June 17, 2020. We will let you know if they are extended and if we need to update our guidance.

We describe below the flexibilities provided by the OMB memo as they are relevant to MFCU grant awards (and the Federal administrative regulation that applies to each¹).

1. Flexibility with SAM registration. (45 CFR § 75.205) Current registrants in the System for Award Management (SAM) with active registrations expiring before May 16, 2020, automatically will be afforded a one-time extension of 60 days.

¹ The U.S. Department of Health and Human Services (HHS) extended the waivers contained in the OMB memo to the HHS regulations contained in 45 CFR part 75.

2. Flexibility with application deadlines. (45 CFR § 75.202) The FY21 budget application is due July 3, 2020, which is outside the time limit of the memo. Please plan for this due date to remain the same. OIG will reassess at the end of the 90-day period.

- Preliminary budget. The preliminary budget estimate is due May 1, 2020. If you will need an extension, please request one in writing to Alexis Crowley, alexis.crowley@oig.hhs.gov . The extension will be to May 31, 2020.
- Annual recertification. If your Unit's recertification reapplication is due between April 4 and June 15, 2020 and you need additional time to submit, please contact your oversight analyst by email to request a 30-day extension.

3. Allowability of Costs not Normally Chargeable to Awards. (45 CFR §§ 75.403, 75.404, and 75.405)

- MFCUs which incur unusual costs relating to the COVID-19 epidemic may seek authority to receive Federal Financial Participation (FFP) for those costs. Examples of such costs that we have been asked are additional workstation monitors and laptops to assist employees to work from home who normally do not. To receive Federal matching for such costs, please contact Alexis Crowley at alexis.crowley@oig.hhs.gov and provide the items and costs you are seeking reimbursement for and why the cost is necessary to continue grant activities.

4. Allowability of salaries (45 CFR §§ 75.403, 75.404, and 75.405)

- To the extent that a MFCU seeks to charge the grant for employees who are unable to work during the crisis, the MFCU's parent organization must have a written policy in place that allows and supports those salary payments in unexpected circumstances. MFCUs must seek approval to charge salary costs to the MFCU grant that would not normally be permissible in a non-crisis situation. To receive Federal matching for such costs, please contact Alexis Crowley at alexis.crowley@oig.hhs.gov and provide a summary and reason of the employees position(s) who can no longer perform their job or do any work as a result or due to the effects of COVID-19. Also provide a copy of your organization's policy of paying salaries under unexpected or extraordinary circumstances.
- If the requested costs are approved, you must maintain appropriate records to support the costs that normally wouldn't be allowed to be charged to the grant in a non-crisis situation.

5. Extension of financial and other reporting. (45 CFR § 75.341)

- The second quarter Federal Financial Report, FFR/ SF-425, is due April 30, 2020. If you need an extension, please contact Alexis Crowley at alexis.crowley@oig.hhs.gov.

Any questions about this guidance should be directed to Alexis Crowley at alexis.crowley@oig.hhs.gov.