



DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



DATE: June 30, 2020

TO: All Medicaid Fraud Control Unit Directors

FROM: Alexis Crowley
Grants Management Officer

SUBJECT: Updated Guidance of 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 an update to the administrative flexibilities to State Medicaid Fraud Control Units (MFCUs) as authorized by Office of Management and Budget (OMB) Memorandum M-20-26, <https://www.whitehouse.gov/wp-content/uploads/2020/06/M-20-26.pdf> “Extension of Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) due to Loss of Operations,” dated June 18, 2020.

This memo provides an extension for only *Allowability of Salaries* through September 30, 2020. OMB has rescinded the other four areas of flexibility that were contained in our [OIG Implementation of OMB Memo M-20-17](#) dated April 9, 2020. Any requests that were submitted to OIG for the flexibilities specified in the April 9 memo prior to June 16, 2020 are actionable.

We describe below the extended flexibility provided by the OMB memo as it is relevant to MFCU grant awards (and the Federal administrative regulation that applies to each¹).

1. 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 remotely 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

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.

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.

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