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MEDICAID INFORMATION RELEASE #MA 07-01

To: Entities that received or made Medicaid payments of at least five-million dollars annually

From: Leslie M. Clement, Administrator
Division of Medicaid

Subject: Changes in federal legislation affecting Idaho Medicaid Providers

Effective January 1, 2007 Idaho Medicaid began implementing changes necessary to comply with the Deficit Reduction Act of 2005 (DRA) which was signed into law by President George W. Bush on February 8, 2006.

While all providers fall under the False Claims Act, part of the DRA contains additional requirements for entities that either received or made Medicaid payments totaling at least five-million dollars annually. These entities must establish written policies and procedures about the Federal False Claims Act (and corresponding State regulations) for their employees (including management), and of any contractor or agent of the entity.

This Information Release contains information about the changes in the federal law and serves as the official notice of new federal requirements for the specified Idaho Medicaid providers.

Specifically, Section 6032 amended the Social Security Act, Title 42, United States Code, Section 1396a(a), by inserting a new paragraph 68. In this paragraph, **any entity that receives or makes annual Medicaid payments of at least five-million dollars shall**:

- Establish written policies for all employees of the entity (including management), and of any contractor or agent of the entity, that provides:
  - ✓ Detailed information about the False Claims Act (established under sections 3729 through 3733 of Title 31, United States Code, administrative remedies for false claims and statements established under chapter 38 of Title 31, United States Code),
  - ✓ Any State laws pertaining to civil or criminal penalties for false claims and statements, and

- ✓ Whistleblower protections under such laws, with respect to the role of such laws in preventing and detecting fraud, waste, and abuse in Federal health care programs (as defined in section 1128B(f));

- Include as part of such written policies, detailed provisions regarding the entity's policies and procedures for detecting and preventing fraud, waste, and abuse; and, Include in any existing employee handbook a specific discussion of the applicable laws, the rights of employees to be protected as whistleblowers, and the entity's policies and procedures for detecting and preventing fraud, waste, and abuse.

If you have any questions about the information in this IR, please contact Jeanne Siroky, Alternative Care Coordinator, at 208-364-1897.

Thank you for your continued participation in the Idaho Medicaid program.