



DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



May 7, 2020

TO: All Medicaid Fraud Control Unit Directors

FROM: Alexis Crowley
Grants Management Officer  Digitally signed by ALEXIS CROWLEY
Date: 2020.05.07 08:25:56 -04'00'

SUBJECT: Guidance on Acknowledgement of Federal Funding in Accordance with Stevens Amendment

Purpose

The U.S. Department of Health and Human Services (HHS) Office of Grants has directed all HHS awarding agencies, including OIG, to provide guidance and include a term and condition as part of the Notice of Award (NoA) for grant recipients to comply with a provision of appropriations law known as the “Stevens Amendment.”

Background

HHS’s annual appropriations include a provision known as the Stevens Amendment. The provision, as contained in the Further Consolidated Appropriations Act of 2020, Pub. L. No. 116-94 (Division A, Title V, Section 505), provides:

When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds included in this Act, including but not limited to State and local governments and recipients of Federal research grants, shall clearly state—

- (1) the percentage of the total costs of the program or project which will be financed with Federal money;
- (2) the dollar amount of Federal funds for the project or program; and
- (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

The Government Accountability Office (GAO) recently examined the enforcement of the provision by HHS and other Federal agencies in the report, *Agency Action Required to Ensure*

Grantees Identify Federal Contribution Amounts, GAO-19-282 (March 2019), <https://www.gao.gov/assets/700/697549.pdf>. In the report, GAO found that HHS and other agencies did not have procedures to monitor and ensure compliance with the provision. HHS concurred with the report's recommendation that the agency design and implement a process to manage grantee compliance with the Stevens Amendment.

In accordance with the foregoing, we will include the following term and condition in the FY 2021 MFCU grant award and in future awards. We will notify you if future appropriations no longer include the requirements of the Stevens Amendment.

General Term and Condition

When issuing statements, press releases, requests for proposal, bid solicitations and other documents describing the Medicaid Fraud Control Unit (MFCU) program, the MFCU must include a statement that describes the amount and percentage of federal and non-federal funding of total MFCU program costs.

The grant award amount should reflect the amount as listed on the Notice of Award for the Federal fiscal year at the time of the public statement.

The MFCU must use the following or a similar statement:

The [Name of MFCU] receives [100/90/75] percent of its funding from the U.S. Department of Health and Human Services under a grant award totaling [\$XX] for Federal fiscal year (FY) [XXXX]. The remaining [10/25] percent, totaling [\$XX] for FY [XXXX], is funded by [Name of State/territory].

If you have questions about the information in this memo, please contact Alexis Crowley at alexis.crowley@oig.hhs.gov and the program analyst assigned to your State.