



NATIONAL CONFERENCE *of* STATE LEGISLATURES

The Forum for America's Ideas

November 21, 2016

The Honorable Daniel R. Levinson
Inspector General
Office of the Inspector General
U.S. Department of Health and Human Services
Cohen Building, 330 Independence Avenue SW,
Room 5269
Washington, DC 20201

Michael Gronstal
*Senate Majority Leader
Iowa
President, NCSL*

Raúl E. Burciaga
*Director
Legislative Council Service
New Mexico
Staff Chair, NCSL*

William T. Pound
Executive Director

Re: [Attention: OIG-406-P] Medicaid Revisions to State Medicaid Fraud Control Unit (MFCU) Rules

Dear Mr. Inspector General Levinson:

On behalf of the National Conference of State Legislatures (NCSL) we are writing to respond to the proposed rule published in the September 20, 2016 *Federal Register*, "*Medicaid Revisions to State Medicaid Fraud Control Unit Rules (42 CFR Part 455)*." The detection and control of fraudulent abuses of the Medicaid program plays an essential role in the fiscal management of this important public program.

NCSL supports and appreciates the Office of the Inspector General's (OIG) goals of revising and aligning outmoded regulations to improve the efficiency of the MFCUs in states. NCSL also supports proposals that lessen the administrative burdens associated with carrying out Medicaid program integrity initiatives. In strengthening the relationship between the Medicaid agencies and MFCUs through regular communications and procedures for coordination, the states' capabilities to detect and prosecute fraudulent acts against the Medicaid program will be strengthened. NCSL also appreciates proposals clarifying that MFCUs may access federal financial participation (FFP) for activities associated with data mining as long as they are not duplicative of state activities.

However, NCSL urges the OIG to consult with states when developing performance standards for MFCUs, any requirements on the form and content of agreements between state Medicaid agencies and their MFCU, or establishing state plan requirements. Any requirements dictating the operational components of a MFCU should serve as a foundation for states to build upon and not limit their flexibility to determining the structure of their state units.

NCSL looks forward to working with the OIG to enhance the operational capability of this critical component in the fiscal management of the Medicaid program.

Sincerely,

William T. Pound
Executive Director
National Conference of State Legislatures

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