



WASHINGTON UPDATE

444 N. Capitol Street NW, Suite 234 ♦ Washington, DC 20001 December 22, 2009

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OMB Releases New Guidance for ARRA Job Calculations

The U.S. Office of Management and Budget has released updated Recovery Act guidance concerning jobs counting and data quality. The guidance makes two very important changes concerning jobs calculation:

- Simplification of jobs calculation: Total hours worked in **jobs funded by ARRA** divided by total hours in a full-time schedule (520) for the quarter.
- Quarterly, not cumulative, reporting: Jobs are to be reported on a quarterly not cumulative basis. (Keep in mind other 1512 reporting such as for expenditure data will still be done on a cumulative basis.)

The guidance also provides more detailed information for federal agencies in the area of data quality reviews. While this information is directed at federal agencies, you may wish to carefully review this information and incorporate some of the recommendations or requirements into your own data quality review plans.

In addition, the Recovery Accountability and Transparency Board is allowing an additional five days for reporting due to the shortened reporting period resulting from the holidays and weekend. While the hard deadline for reporting is still January 10, recipients will be allowed to report until January 15 **without** having their reports flagged as late. Reports made after the January 15

will be considered late and flagged.

We encourage you to pass along any observations you have on the guidance so that we can share your thoughts with OMB/RATB before the holidays. They are very interested in pinpointing implementation issues. Comments can be sent to cchebinou@nasact.org Thank you in advance for your input.

The new guidance is posted to the OMB website at www.whitehouse.gov/omb/assets/memoranda_2010/m10-08.pdf.

House Passes Unemployment Benefit/ Medicaid Extension

On Wednesday, the House passed six-month extensions of unemployment insurance and Medicaid benefits to state governments to carry them through the spring. The unemployment insurance is an extension of the stimulus provisions, funding states with approximately \$41 billion. The Medicaid extension is also a stimulus provision aimed at shifting more of the cost onto the federal government and providing relief for states. This extension is projected to cost around \$23 billion. The Senate will take up the measures when they come back from the winter recess.

Senator Asks IRS to Examine Tax Delinquent Health Care Contractors

Senator Chuck Grassley (R-IA) on Tuesday sent a letter to Internal Revenue Service Commissioner Doug Shulman asking him to look into the tax delinquencies of Medicaid and Medicare contractors. Citing a recent Government

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Accountability Office report, Sen. Grassley pointed out that government health care contractors owe over \$1 billion a year in unpaid taxes. Over 90 providers were identified in the GAO report. Sen. Grassley asked for a detailed description of collection actions taken by the IRS subsequent to the GAO report.

The full letter to the IRS can be found at
http://grassley.senate.gov/news/Article.cfm?customel_dataPageID_1502=24510.

NGA Tells Senate Committee Line-Item Vetoes Are a Good Vehicle Against Waste and Deficits

The Senate Homeland Security and Governmental Affairs Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security held a hearing on Wednesday to look at new ways in which government can combat waste, fraud and abuse during budget cycles. The hearing, focusing specifically on “expedited rescission authority” (or line-item vetoes), featured testimony from executive director of the National Governors Association, Ray Scheppach, and **Susan Poling**, managing associate general counsel at the Government Accountability Office.

Mr. Scheppach’s highlighted two states’ use of their ability to balance budgets using the line-item authority. Citing Missouri and Wisconsin, he noted that line-item vetoes get more use in economic downturns than during

times of prosperity, mainly to get budgets under control. He pointed out, “One of the items that was vetoed was to increase the reimbursement rate for Medicaid health care providers. It was something that the state could not afford... The experience of the states with the line item veto seems to be applicable to the federal government.”

Testimony from all panelists and the video archive can be found at
http://hsgac.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=34e3c205-9016-4269-be41-a27ec7e90a8c

This is the last *Washington Update* before the Winter recess of Congress. The next *Update* will appear the Monday after Congress returns in January.

HAPPY HOLIDAYS!