



**COLORADO**  
Department of Health Care  
Policy & Financing

**ATTENTION:** This email must be forwarded to your Compliance Division, and all documents must be sent to the Deficit Reduction Act email address at [hcpf\\_draact2005@state.co.us](mailto:hcpf_draact2005@state.co.us).

October 3, 2023

**RE: Section 6032 of the Deficit Reduction Act of 2005 (42 USC §1396a(a)(68))**

Dear Provider,

Pursuant to Section 6032 of the Deficit Reduction Act of 2005 (DRA), any entity that receives or makes payments totaling at least \$5,000,000 annually must have certain written policies and procedures in place that are readily available to all employees, contractors, or agents.

An entity includes a governmental agency, organization, unit, corporation, partnership, or other business arrangement (including any Medicaid managed care organization, irrespective of the form of business structure or arrangement by which it exists), whether for-profit or not-for profit, which receives or makes payments under a State-plan-approved Title XIX program or any waiver of such plan totaling at least \$5,000,000 annually.

If an entity furnishes items or services at more than a single location or under more than one contractual or other payment arrangement, the provisions of the DRA apply if the aggregate payments to that entity meet the \$5,000,000 annual threshold. This applies whether the entity submits claims for payments using one or more provider identification or tax identification numbers.

**If identified as an entity subject to the requirements of the DRA, providers must:**

1. Establish, disseminate, and maintain written policies for all employees, including management and the employees of any contractors or agents, that include detailed information about the False Claims Act established under sections
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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; 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)).

2. Include in those written policies detailed information about policies and procedures for detecting and preventing waste, fraud, and abuse.
3. Include in any employee handbook a specific discussion of the laws described in the written policies, the rights of employees to be protected as whistleblowers, and a specific discussion of policies and procedures for detecting and preventing fraud, waste, and abuse. **An employee handbook does not need to be created if one does not already exist.**

Entities subject to the DRA must complete and return to the Department the attached DRA Declaration. Entities with multiple identified locations must send one DRA Declaration with an attachment listing all NPIs and service location IDs covered by the DRA Declaration.

The completed **DRA Declaration** and the required documents listed above must be emailed to [hcpf\\_draact2005@state.co.us](mailto:hcpf_draact2005@state.co.us) no later than November 1, 2023.

Contact Eileen Sandoval, Recovery Officer, Program Integrity Contract Oversight Section, at 303-866-3133 or email [hcpf\\_draact2005@state.co.us](mailto:hcpf_draact2005@state.co.us) with any questions regarding the DRA.

Sincerely,



Bart Armstrong  
Division Director  
Fraud, Waste and Abuse Division - Medicaid Operations Office  
Department of Health Care Policy and Financing

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