

**Section 433.51 of Title 42 Code of Federal Regulations**

42 CFR Sec. 433.51

TITLE [42](#)--PUBLIC HEALTH

CHAPTER [IV](#)--CENTERS FOR MEDICARE & MEDICAID SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES

SUBCHAPTER [C](#)--MEDICAL ASSISTANCE PROGRAMS

PART [433](#)--STATE FISCAL ADMINISTRATION

Subpart [B](#)--General Administrative Requirements State Financial Participation

**Sec. 433.51 Funds from units of government as the State share of financial participation.**

(a) Funds from units of government may be considered as the State's share in claiming FFP if they meet the conditions specified in paragraphs (b) and (c) of this section.

(b) The funds from units of government are appropriated directly to the State or local Medicaid agency, or are transferred from other units of government (including Indian tribes) to the State or local agency and are under its administrative control, or are certified by the contributing unit of government as representing expenditures eligible for FFP under this section. Certified public expenditures must be expenditures within the meaning of 45 CFR [95.13](#) that are supported by auditable documentation in a form approved by the Secretary that, at a minimum--

(1) Identifies the relevant category of expenditures under the State plan;

(2) Explains whether the contributing unit of government is within the scope of the exception to limitations on provider-related taxes and donations;

(3) Demonstrates the actual expenditures incurred by the contributing unit of government in providing services to eligible individuals receiving medical assistance or in administration of the State plan; and

(4) Is subject to periodic State audit and review.

(c) The funds from units of government are not Federal funds, or are Federal funds authorized by Federal law to be used to match other Federal funds.

[72 FR 29833, May 29, 2007, eff. July 30, 2007]