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## Obama to order federal agencies to compile 'do not pay list'

By Ed O'Keefe  
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[President Obama](#) will order federal agencies Friday to establish a national "do not pay list" to prevent the government from paying benefits, contracts, grants and loans to ineligible people or organizations, according to senior administration officials.

The moves are part of a series to cut government waste and fraud and come amid calls for more fiscal restraint from Republicans and moderate Democrats.

A memo Obama is set to sign Friday instructs the Treasury Department, Office of Management and Budget and General Services Administration to establish a government-wide database to ensure agencies no longer send government checks to dead people, delinquent or jailed contractors and other debarred or suspended firms, said officials familiar with the memo and not authorized to speak on the record. About 20,000 separate payments totaling \$182 million were sent to dead people in the last three years, according to OMB.

The administration also will announce plans on Friday for the Centers for Medicare and Medicaid Services to use an online fraud-detection program developed by federal watchdogs who are tracking the economic stimulus program. CMS made \$65 billion in erroneous payments in fiscal year 2009, and officials expect the tool will help the agency keep closer tabs on medical providers by conducting deeper background checks.

Friday's announcements follow several other cost-cutting orders from Obama. Federal agencies must find ways to [trim at least 5 percent from their budgets](#) and [\\$8 billion worth of federal building costs](#). The White House also wants the Air Force to renegotiate costly cellphone plans and expects agencies to scale back the amount of time and money required to hire new federal workers.

Obama deserves credit for spending political capital on the "unsexy" issue of government management, Brookings Institution scholar Stephen Hess said.

"Of all the things that presidents don't get credit for, one would be managing the executive branch," Hess said.

Paul Light, a New York University professor and an expert on federal bureaucracy, said the administration is using the orders to quickly push spending reforms as Congress stalls.

"I think it's giving Democrats at least some shelter against the anti-government sentiment out there," Light said.

Republicans want deeper spending cuts and are pushing to freeze Congressional budgets and federal worker salaries. Some [GOP](#) lawmakers also want the Internal Revenue Service to collect \$3 billion in unpaid taxes [owed by delinquent federal workers](#).

Chris Edwards, a vocal critic of government spending who edits the Cato Institute's [DownsizingGovernment.org](#), said current proposals don't go far enough.

"I don't really care whether President Obama or Republicans have their heart in these spending restraints, but it clearly shows they both have their fingers to the wind, and that they understand there's a new mood in the country," Edwards said.