119TH CONGRESS
2D SESSION

S. _____

To amend title XVIII of the Social Security Act to decrease fraud related to home health agencies in Medicare, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Ms. COLLINS introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend title XVIII of the Social Security Act to decrease fraud related to home health agencies in Medicare, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Medicare Home Health Payment Integrity and Protection Act of 2026''.

(b) TABLE OF CONTENTS.—

TITLE I—HOME HEALTH PROGRAM INTEGRITY, ANTI-FRAUD, AND ENROLLMENT REFORM

SEC. 101. ENHANCED ENROLLMENT SCREENING FOR HOME HEALTH AGENCIES.

Section 1866(j)(2) of the Social Security Act (42 U.S.C. 1395cc(j)(2)) is amended—

(1) in subparagraph (B)—

(A) in clause (i), by striking ''and'' at the end;

(B) in clause (ii)(V), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following new clause:

"(iii) beginning 1 year after the date of enactment of this clause, in the case of a home health agency applying for enrollment under this title that is at an extreme risk of fraud (as determined under subparagraph (G)), shall, in addition to any other screening required under this subparagraph—

"(I) in the case where fingerprinting is included in such screening with respect to home health agencies pursuant to clause (ii)(II), require fingerprinting of the administrator of such home health agency; and

"(II) require obtaining evidence that such home health agency has a comprehensive liability insurance policy, as determined by the Secretary."; and

(2) by adding at the end the following new subparagraph:

"(G) HOME HEALTH AGENCIES AT EXTREME RISK OF FRAUD.—

"(i) IN GENERAL.—Beginning 1 year after the date of enactment of this subparagraph, for purposes of subparagraph (B)(iii), the Secretary shall determine whether a home health agency is at an extreme risk of fraud based on—

"(I) the determination made under clause (ii); and

"(II) such other factors as the Secretary may specify.

"(ii) DETERMINATION OF HIGH-RISK AREAS.—For purposes of clause (i), the Secretary shall determine whether a home health agency is located in a State or county with respect to which, during the most recent year for which data is available, the total number of home health agencies located in such State or county significantly exceeded the total number of such agencies located in such State or county during the preceding year.".

SEC. 102. ADDITIONAL OVERSIGHT PROVISIONS FOR HOME HEALTH AGENCIES.

(a) INCREASED SURVEY FREQUENCY FOR CERTAIN HOME HEALTH AGENCIES.—Section 1891(c)(2)(B) of the

Social Security Act (42 U.S.C. 1395bbb(c)(2)(B)) is amended—

(1) in clause (ii), by striking the period at the end and inserting a semicolon;

(2) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and adjusting the margins accordingly;

(3) by striking ''subparagraph (A), a standard survey'' and inserting the following: ''subparagraph (A)—''

''(i) a standard survey''; and

(4) by adding at the end the following new clauses:

''(ii) beginning 1 year after the date of enactment of this clause, in the case where an agency is newly enrolled under this title, has undergone a change of ownership (as defined by the Secretary), or has reactivated billing privileges under this title in accordance with section 424.540(b) of title 42, Code of Federal Regulations (or a successor regulation), a standard survey of such agency shall be conducted not less frequently than once every 12 months during the 36-month period immediately fol-

lowing such enrollment, change of ownership, or reactivation of billing privileges; and

''(iii) beginning 1 year after the date of enactment of this clause, a standard survey of an agency shall be conducted—

''(I) in the case where the agency does not submit quality data to the Secretary in accordance with subclauses (II) and (IV) of section 1895(b)(3)(B)(v) for the most recent year for which data is available (as determined by the Secretary), not later than 18 months after the date on which the most recent such survey was conducted with respect to such agency; and

''(II) in the case where the agency has a beneficiary admission rate that is aberrant compared to peers (as determined by the Secretary) or otherwise displays characteristics or engages in practices that may indicate fraudulent or aberrant behavior (as specified by the Secretary after con-

sultation with stakeholders, such as beneficiary advocates and representatives of the home health industry, and the Inspector General of the Department of Health and Human Services, and updated as necessary after additional consultation with such stakeholders not less often than once every 3 years), not later than 18 months after the date on which the most recent such survey was conducted with respect to such agency,

except that an agency shall not be subject to more than 1 survey under this clause within any 18-month period.''.

(b) PAYMENT ADJUSTMENT IF QUALITY DATA NOT SUBMITTED.—Section 1895(b)(3)(B)(v) of the Social Security Act (42 U.S.C. 1395fff(b)(3)(B)(v)) is amended—

(1) in subclause (I), in the first sentence, by inserting the following before the period: ''for years before 2029, and by 15 percentage points for 2029 and subsequent years'';

(2) in subclause (II), by adding at the end the following new sentence: ''For 2029 and each subsequent year, in specifying a time for the submission

of such data pursuant to the previous sentence, the Secretary shall establish a process under which any home health agency that has demonstrated a good faith effort to submit such data by such time may be granted additional time (not to exceed 30 days) to complete such submission.''; and

(3) in subclause (IV)(cc), by adding at the end the following new sentence: ''For 2029 and each subsequent year, in specifying a time for the submission of such data pursuant to the previous sentence, the Secretary shall establish a process under which any home health agency that has demonstrated a good faith effort to submit such data by such time may be granted additional time (not to exceed 30 days) to complete such submission.''.

SEC. 103. ADDITIONAL SURVEY AND TRAINING REQUIREMENTS FOR ACCREDITATION ORGANIZATIONS.

Section 1865 of the Social Security Act (42 U.S.C. 1395bb) is amended—

(1) in subsection (a)(2)—

(A) by striking ''In making'' and inserting the following: ''(A) In making''; and

(B) by adding at the end the following new subparagraph:

''(B)(i) Beginning 1 year after the date of enactment of this subparagraph, the Secretary may not approve a request for a finding under paragraph (1) with respect to a national accreditation body unless the survey procedures of such accreditation body—

''(I) met or exceeded the standards applicable to the survey procedures that State and local agencies that have entered into an agreement with the Secretary under section 1864(a) are required to use; and

''(II) require surveyors to complete the relevant basic surveyor training courses offered by the Centers for Medicare & Medicaid Services before serving as a member of a survey team.

''(ii) The Secretary may only continue to give effect to any such finding made prior to the date that is 1 year after the date of enactment of this subparagraph with respect to a national accreditation body with respect to the accreditation of home health agencies if the Secretary determines before such date that the survey procedures of such accreditation body meet the conditions described in clause (i).''; and

(2) by adding at the end the following new subsection:

''(f) ACCREDITATION FOR HOME HEALTH AGENCIES.—

''(1) Not later than 1 year after the date of enactment of this subsection, the Secretary shall establish and implement a mechanism for periodically assessing the performance of an accreditation body that has received approval from the Secretary under subsection (a)(3)(A) for accreditation of home health agencies.

''(2) In the case that the Secretary finds, pursuant to the mechanism established under paragraph (1), that the performance of such accreditation body is deficient, the Secretary shall provide for an appropriate remedy, which may include the imposition of a corrective action plan, ongoing monitoring of the accreditation body, and the termination of such approval with respect to the accreditation body for accreditation of home health agencies.''.

TITLE II—HOME HEALTH PAYMENT RESET AND DATA INTEGRITY

SEC. 201. RESET OF STANDARD PROSPECTIVE PAYMENT AMOUNT.

Reset of Standard Prospective Payment Amount.—Section 1895(b)(3)(A) of the Social Security Act (42 U.S.C. 1395fff(b)(3))(A)) is amended—

(1) in clause (i), in the matter preceding subclause (I), by striking ''Under such system'' and inserting ''Subject to clause (v), under such system'';

(2) in clause (iii)—

(A) in the heading, by striking ''and subsequent years'' and inserting ''through 2026''; and

(B) in subclause (I), by striking ''and subsequent years'' and inserting ''through 2026''; and

(3) by adding at the end the following new clause:

''(v) BASIS FOR 2027 AND SUBSEQUENT YEARS.—With respect to payments for home health units of service furnished during 2027 or a subsequent year, the

standard prospective payment amount shall be—

''(I) for 2027, $2382.87; and

''(II) for 2028 and each subsequent year, the amount determined under this clause for the preceding year, updated under subparagraph (B).''.

SEC. 202. SUSPENSION OF PERMANENT AND TEMPORARY ADJUSTMENTS.

Section 1895(b)(3)(D) of the Social Security Act (42 U.S.C. 1395fff(b)(3)(D)) is amended—

(1) in clause (i), by striking ''The Secretary'' and inserting ''Subject to clause (iv), the Secretary''; and

(2) by adding at the end the following new clause:

''(iv) SUSPENSION OF PERMANENT AND TEMPORARY ADJUSTMENTS FOR 2020 AND SUBSEQUENT YEARS.—Notwithstanding any other provision of law, for 2027 and subsequent years, for purposes of making any adjustment under this subparagraph, the Secretary shall not impose any adjustment under clause (ii) or (iii) to

offset increases or decreases in estimated expenditures attributable to the difference in assumed versus actual behavioral changes due to the implementation of the Patient-Driven Groupings Model as described in the final rule entitled 'Medicare and Medicaid Programs; CY 2020 Home Health Prospective Payment System Rate Update; Home Health Value-Based Purchasing Model; Home Health Quality Reporting Requirements; and Home Infusion Therapy Requirements' published in the Federal Register on November 9, 2019 (84 Fed. Reg. 60478).''.

SEC. 203. CONFORMING PROTECTION FOR BENCHMARKS AND VALUE-BASED PROGRAMS.

Section 1895 of the Social Security Act (42 U.S.C. 1395fff), is amended by adding at the end the following new subsection:

''(f) CONFORMING PROTECTION FOR BENCHMARKS AND VALUE-BASED PROGRAMS.—

''(1) IN GENERAL.—For 2027 and each subsequent year, in order to ensure that fraudulent and suspected fraudulent entities do not impact benchmarks or the application of any quality, value-based,

or benchmarked adjustments for legitimate providers of home health services, the Secretary shall exclude or adjust for suspect claims when computing any such adjustments to payments to home health agencies under this section.

''(2) SUSPECT CLAIM DEFINED.—In this subsection, the term 'suspect claim' means any claim for home health services submitted under this title that the Secretary determines contains unreliable data or data from a provider that may have engaged in fraud, waste, or abuse.''.

TITLE III—REPORTS, RULEMAKING, PROGRAM INTEGRITY FUNDING, AND IMPLEMENTATION

SEC. 301. REPORT TO CONGRESS ON HOME HEALTH PAYMENT DATA.

Not later than 180 days after the date of enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a report—

(1) identifying the degree to which suspect claims and cost reports influenced payments made to home health agencies under section 1895 of the Social Security Act (42 U.S.C. 1395fff) after 2020;

(2) analyzing the effect of excluding suspect claims (as defined in subsection (f) of such section 1895) from the calculation of payment rates, case-mix weights, behavioral assumptions, and adjustments under such section 1895; and

(3) including recommendations for permanent data-integrity safeguards for home health agencies to prevent the inclusion and application of utilization, cost ,and payment data from home health agencies that the Secretary determines are at risk of providing unreliable and inaccurate data.

SEC. 302. NOTICE AND COMMENT RULEMAKING.

The Secretary of Health and Human Services shall implement the amendments made by titles I and II of this Act through notice and comment rulemaking under section 553 of title 5, United States Code.

SEC. 303. PROGRAM INTEGRITY FUNDING.

In addition to any other funds otherwise available, there are appropriated to the Centers for Medicare & Medicaid Services, out of any amounts in the Treasury not otherwise appropriated, $300,000,000 for fiscal years 2027 through 2031 for the implementation of the amendments made by sections 101, 102, and 103.

SEC. 304. DEPARTMENT OF JUSTICE AND OFFICE OF INSPECTOR GENERAL ENFORCEMENT FUNDING.

In addition to any other funds otherwise available, there are appropriated to the Department of Justice and the Office of Inspector General of the Department of Health and Human Services, out of any amounts in the Treasury not otherwise appropriated, $150,000,000 for fiscal years 2027 through 2031 for investigation of organized home health fraud schemes, forensic accounting, interstate fraud investigations, prosecution of Medicare fraud, and coordination with Federal law enforcement agencies.

SEC. 305. STATE SURVEY AGENCY FUNDING.

In addition to any other funds otherwise available, there are appropriated to the Centers for Medicare & Medicaid Services, out of any amounts in the Treasury not otherwise appropriated, $100,000,000 for fiscal years 2027 through 2031 to support State survey agency activities relating to conducting accelerated surveys, enrollment validation, unannounced site visits, and operational verification of home health agencies.

SEC. 306. RULE OF CONSTRUCTION REGARDING EXISTING FRAUD AUTHORITIES.

Nothing in the provisions of, or amendments made by, this Act shall be construed to limit the authority of

the Secretary of Health and Human Services to suspend payments to home health agencies under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), revoke enrollment or impose a moratorium on the enrollment of such agencies under such title, conduct site visits of such agencies, audit such agencies, or exclude or deny payment for suspect claims for home health services under such title.