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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

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 HOUSE OF REPRESENTATIVES

Ms. TENNEY introduced the following bill; which was 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.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Medicare Home Health Payment Integrity and Protec-
6 tion Act of 2026”.

7 (b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

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

- Sec. 101. Enhanced enrollment screening for home health agencies.
Sec. 102. Additional oversight provisions for home health agencies.
Sec. 103. Additional survey and training requirements for accreditation organizations.

TITLE II—HOME HEALTH PAYMENT RESET AND DATA
INTEGRITY

- Sec. 201. Calculation of home health prospective payment amount using reliable data.
Sec. 202. Suspension of permanent and temporary adjustments.
Sec. 203. Conforming protection for benchmarks and value-based programs.

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

- Sec. 301. Report to Congress on home health payment data.
Sec. 302. Notice and comment rulemaking.
Sec. 303. Program integrity funding.
Sec. 304. Department of Justice and Office of Inspector General enforcement funding.
Sec. 305. State survey agency funding.
Sec. 306. Rule of construction regarding existing fraud authorities.

1 **TITLE I—HOME HEALTH PRO-**
2 **GRAM INTEGRITY, ANTI-**
3 **FRAUD, AND ENROLLMENT**
4 **REFORM**

5 **SEC. 101. ENHANCED ENROLLMENT SCREENING FOR HOME**
6 **HEALTH AGENCIES.**

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

9 (1) in subparagraph (B)—

10 (A) in clause (i), by striking “and” at the
11 end;

12 (B) in clause (ii)(V), by striking the period
13 at the end and inserting “; and”; and

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

3 “(iii) beginning 1 year after the date
4 of enactment of this clause, in the case of
5 a home health agency applying for enroll-
6 ment under this title that is at an extreme
7 risk of fraud (as determined under sub-
8 paragraph (G)), shall, in addition to any
9 other screening required under this sub-
10 paragraph—

11 “(I) in the case where
12 fingerprinting is included in such
13 screening with respect to home health
14 agencies pursuant to clause (ii)(II),
15 require fingerprinting of the adminis-
16 trator of such home health agency;
17 and

18 “(II) require obtaining evidence
19 that such home health agency has a
20 comprehensive liability insurance pol-
21 icy, as determined by the Secretary.”;
22 and

23 (2) by adding at the end the following new sub-
24 paragraph:

1 “(G) HOME HEALTH AGENCIES AT EX-
2 TREME RISK OF FRAUD.—

3 “(i) IN GENERAL.—Beginning 1 year
4 after the date of enactment of this sub-
5 paragraph, for purposes of subparagraph
6 (B)(iii), the Secretary shall determine
7 whether a home health agency is at an ex-
8 treme risk of fraud based on—

9 “(I) the determination made
10 under clause (ii); and

11 “(II) such other factors as the
12 Secretary may specify.

13 “(ii) DETERMINATION OF HIGH-RISK
14 AREAS.—For purposes of clause (i), the
15 Secretary shall determine whether a home
16 health agency is located in a State or coun-
17 ty with respect to which, during the most
18 recent year for which data is available, the
19 total number of home health agencies lo-
20 cated in such State or county significantly
21 exceeded the total number of such agencies
22 located in such State or county during the
23 preceding year.”.

1 **SEC. 102. ADDITIONAL OVERSIGHT PROVISIONS FOR HOME**
2 **HEALTH AGENCIES.**

3 (a) INCREASED SURVEY FREQUENCY FOR CERTAIN
4 HOME HEALTH AGENCIES.—Section 1891(c)(2)(B) of the
5 Social Security Act (42 U.S.C. bbb(c)(2)(B)) is amend-
6 ed—

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

9 (2) by redesignating clauses (i) and (ii) as sub-
10 clauses (I) and (II), respectively, and adjusting the
11 margins accordingly;

12 (3) by striking “subparagraph (A), a standard
13 survey” and inserting the following: “subparagraph
14 (A)—”

15 “(i) a standard survey”; and

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

18 “(ii) beginning 1 year after the date
19 of enactment of this clause, in the case
20 where an agency is newly enrolled under
21 this title, has undergone a change of own-
22 ership (as defined by the Secretary), or has
23 reactivated billing privileges under this
24 title in accordance with section 424.540(b)
25 of title 42, Code of Federal Regulations (or
26 a successor regulation), a standard survey

1 of such agency shall be conducted not less
2 frequently than once every months during
3 the 36-month period immediately following
4 such enrollment, change of ownership, or
5 reactivation of billing privileges; and

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

9 “(I) in the case where the agency
10 does not submit quality data to the
11 Secretary in accordance with sub-
12 clauses (II) and (IV) of section
13 (b)(3)(B)(v) for the most recent year
14 for which data is available (as deter-
15 mined by the Secretary), not later
16 than 18 months after the date on
17 which the most recent such survey
18 was conducted with respect to such
19 agency; and

20 “(II) in the case where the agen-
21 cy has a beneficiary admission rate
22 that is aberrant compared to peers (as
23 determined by the Secretary) or other-
24 wise displays characteristics or en-
25 gages in practices that may indicate

1 fraudulent or aberrant behavior (as
2 specified by the Secretary after con-
3 sultation with stakeholders, such as
4 beneficiary advocates and representa-
5 tives of the home health industry, and
6 the Inspector General of the Depart-
7 ment of Health and Human Services,
8 and updated as necessary after addi-
9 tional consultation with such stake-
10 holders not less often than once every
11 3 years), not later than 18 months
12 after the date on which the most re-
13 cent such survey was conducted with
14 respect to such agency, except that an
15 agency shall not be subject to more
16 than 1 survey under this clause within
17 any 18-month period.”.

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

21 (1) in subclause (I), in the first sentence, by in-
22 serting the following before the period: “for years
23 before 2029, and by 15 percentage points for 2029
24 and subsequent years”;

1 (2) in subclause (II), by adding at the end the
2 following new sentence: “For 2029 and each subse-
3 quent year, in specifying a time for the submission
4 of such data pursuant to the previous sentence, the
5 Secretary shall establish a process under which any
6 home health agency that has demonstrated a good
7 faith effort to submit such data by such time may
8 be granted additional time (not to exceed 30 days)
9 to complete such submission.”; and

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

19 **SEC. 103. ADDITIONAL SURVEY AND TRAINING REQUIRE-**
20 **MENTS FOR ACCREDITATION ORGANIZA-**
21 **TIONS.**

22 Section 1865 of the Social Security Act (42 U.S.C.
23 1395bb) is amended—

24 (1) in subsection (a)(2)—

1 (A) by striking “In making” and inserting
2 the following: ; and

3 “(A) In making”.

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

6 “(B)(i) Beginning 1 year after the date of
7 enactment of this subparagraph, the Secretary
8 may not approve a request for a finding under
9 paragraph (1) with respect to a national accred-
10 itation body unless the survey procedures of
11 such accreditation body—

12 “(I) met or exceeded the stand-
13 ards applicable to the survey proce-
14 dures that State and local agencies
15 that have entered into an agreement
16 with the Secretary under section
17 1864(a) are required to use; and

18 “(II) require surveyors to com-
19 plete the relevant basic surveyor train-
20 ing courses offered by the Centers for
21 Medicare and Medicaid Services be-
22 fore serving as a member of a survey
23 team.

24 “(ii) The Secretary may only continue
25 to give effect to any such finding made

1 prior to the date that is 1 year after the
2 date of enactment of this subparagraph
3 with respect to a national accreditation
4 body with respect to the accreditation of
5 home health agencies if the Secretary de-
6 termines before such date that the survey
7 procedures of such accreditation body meet
8 the conditions described in clause (i).”;
9 and

10 (2) by adding at the end the following new sub-
11 section:

12 “(f) ACCREDITATION FOR HOME HEALTH AGEN-
13 CIES.—

14 “(1) Not later than 1 year after the date of en-
15 actment of this subsection, the Secretary shall estab-
16 lish and implement a mechanism for periodically as-
17 sessing the performance of an accreditation body
18 that has received approval from the Secretary under
19 subsection (a)(3)(A) for accreditation of home health
20 agencies.

21 “(2) In the case that the Secretary finds, pur-
22 suant to the mechanism established under paragraph
23 (1), that the performance of such accreditation body
24 is deficient, the Secretary shall provide for an appro-
25 priate remedy, which may include the imposition of

1 a corrective action plan, ongoing monitoring of the
2 accreditation body, and the termination of such ap-
3 proval with respect to the accreditation body for ac-
4 creditation of home health agencies.”.

5 **TITLE II—HOME HEALTH PAY-**
6 **MENT RESET AND DATA IN-**
7 **TEGRITY**

8 **SEC. 201. CALCULATION OF HOME HEALTH PROSPECTIVE**
9 **PAYMENT AMOUNT USING RELIABLE DATA.**

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

12 (1) in clause (i), in the matter preceding sub-
13 clause (I), by striking “Under such system” and in-
14 serting “Subject to clause (v), under such system”;

15 (2) in clause (iii)—

16 (A) in the heading, by striking “and subse-
17 quent years” and inserting “through 2026”;
18 and

19 (B) in subclause (I), by striking “and sub-
20 sequent years” and inserting “through 2026”;
21 and

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

1 “(v) CALCULATION OF STANDARD
2 PROSPECTIVE PAYMENT AMOUNT FOR 2027
3 AND SUBSEQUENT YEARS.—

4 “(I) IN GENERAL.—Not later
5 than 90 days after the date of enact-
6 ment of this clause, the Secretary
7 shall establish a revised standard pro-
8 spective payment amount for calendar
9 year 2027. In establishing such
10 amount, the Secretary shall calculate
11 the standard prospective payment
12 amount beginning with the amount
13 applicable for calendar year 2020, ad-
14 justed for each subsequent year under
15 subparagraph (B).

16 “(II) DATA INTEGRITY AND
17 METHODOLOGY.—In carrying out sub-
18 clause (I), the Secretary shall use a
19 methodology and claims data that are
20 appropriate to measure changes in
21 provider behavior attributable to the
22 implementation of the Patient Driven
23 Groupings Model. Such methodology
24 shall—

1 “(aa) exclude claims data
2 associated with fraudulent,
3 wasteful, abusive, aberrant, or
4 otherwise unreliable billing pat-
5 terns, as determined by the Sec-
6 retary;

7 “(bb) account for the effects
8 of the public health emergency
9 declared under section 319 of the
10 Public Health Service Act with
11 respect to COVID–19 and other
12 circumstances that materially af-
13 fected home health utilization or
14 spending but were not within the
15 behavioral assumptions used to
16 establish the Patient-Driven
17 Groupings Model; and

18 “(III) SUBSEQUENT YEARS.—
19 For 2028 and each subsequent year,
20 the standard prospective payment
21 amount shall be the amount estab-
22 lished under subclause (I) for the pre-
23 ceding year, updated under subpara-
24 graph (B).”.

1 **SEC. 202. SUSPENSION OF PERMANENT AND TEMPORARY**
2 **ADJUSTMENTS.**

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

5 (1) in clause (i), by striking “The Secretary”
6 and inserting “Subject to clause (iv), the Secretary”;
7 and

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

10 “(iv) SUSPENSION OF PERMANENT
11 AND TEMPORARY ADJUSTMENTS FOR 2020
12 AND SUBSEQUENT YEARS.—Notwith-
13 standing any other provision of law, for
14 2027 and subsequent years, for purposes
15 of making any adjustment under this sub-
16 paragraph, the Secretary shall not impose
17 any adjustment under clause (ii) or (iii) to
18 offset increases or decreases in estimated
19 expenditures attributable to the difference
20 in assumed versus actual behavioral
21 changes due to the implementation of the
22 Patient-Driven Groupings Model as de-
23 scribed in the final rule entitled ‘Medicare
24 and Medicaid Programs; CY Home Health
25 Prospective Payment System Rate Update;
26 Home Health Value-Based Purchasing

1 Model; Home Health Quality Reporting
2 Requirements; and Home Infusion Ther-
3 apy Requirements’ published in the Fed-
4 eral Register on November 9, 2019 (84
5 Fed. Reg. 60478).”.

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

8 Section 1895 of the Social Security Act (42 U.S.C.
9 1395fff), is amended by adding at the end the following
10 new subsection:

11 “(f) CONFORMING PROTECTION FOR BENCHMARKS
12 AND VALUE-BASED PROGRAMS.—

13 “(1) IN GENERAL.—For 2027 and each subse-
14 quent year, in order to ensure that fraudulent and
15 suspected fraudulent entities do not impact bench-
16 marks or the application of any quality, value-based,
17 or benchmarked adjustments for legitimate providers
18 of home health services, the Secretary shall exclude
19 or adjust for suspect claims when computing any
20 such adjustments to payments to home health agen-
21 cies under this section.

22 “(2) SUSPECT CLAIM DEFINED.—In this sub-
23 section, the term ‘suspect claim’ means any claim
24 for home health services submitted under this title
25 that the Secretary determines contains unreliable

1 data or data from a provider that may have engaged
2 in fraud, waste, or abuse.”.

3 **TITLE III—REPORTS, RULE-**
4 **MAKING, PROGRAM INTEG-**
5 **RITY FUNDING, AND IMPLE-**
6 **MENTATION**

7 **SEC. 301. REPORT TO CONGRESS ON HOME HEALTH PAY-**
8 **MENT DATA.**

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

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

16 (2) analyzing the effect of excluding suspect
17 claims (as defined in subsection (f) of such section
18 1895) from the calculation of payment rates, case-
19 mix weights, behavioral assumptions, and adjust-
20 ments under such section 1895; and

21 (3) including recommendations for permanent
22 data-integrity safeguards for home health agencies
23 to prevent the inclusion and application of utiliza-
24 tion, cost, and payment data from home health

1 agencies that the Secretary determines are at risk of
2 providing unreliable and inaccurate data.

3 **SEC. 302. NOTICE AND COMMENT RULEMAKING.**

4 The Secretary of Health and Human Services shall
5 implement the amendments made by titles I and II of this
6 Act through notice and comment rulemaking under section
7 553 of title 5, United States Code.

8 **SEC. 303. PROGRAM INTEGRITY FUNDING.**

9 In addition to any other funds otherwise available,
10 there are appropriated to the Centers for Medicare & Med-
11 icaid Services, out of any amounts in the Treasury not
12 otherwise appropriated, \$300,000,000 for fiscal years
13 2027 through 2031 for the implementation of the amend-
14 ments made by sections 101, 102, and 103.

15 **SEC. 304. DEPARTMENT OF JUSTICE AND OFFICE OF IN-**
16 **SPECTOR GENERAL ENFORCEMENT FUND-**
17 **ING.**

18 In addition to any other funds otherwise available,
19 there are appropriated to the Department of Justice and
20 the Office of Inspector General of the Department of
21 Health and Human Services, out of any amounts in the
22 Treasury not otherwise appropriated, \$150,000,000 for
23 fiscal years 2027 through 2031 for investigation of orga-
24 nized home health fraud schemes, forensic accounting,
25 interstate fraud investigations, prosecution of Medicare

1 fraud, and coordination with Federal law enforcement
2 agencies.

3 **SEC. 305. STATE SURVEY AGENCY FUNDING.**

4 In addition to any other funds otherwise available,
5 there are appropriated to the Centers for Medicare and
6 Medicaid Services, out of any amounts in the Treasury
7 not otherwise appropriated, \$100,000,000 for fiscal years
8 2027 through 2031 to support State survey agency activi-
9 ties relating to conducting accelerated surveys, enrollment
10 validation, unannounced site visits, and operational
11 verification of home health agencies.

12 **SEC. 306. RULE OF CONSTRUCTION REGARDING EXISTING**
13 **FRAUD AUTHORITIES.**

14 Nothing in the provisions of, or amendments made
15 by, this Act shall be construed to limit the authority of
16 the Secretary of Health and Human Services to suspend
17 payments to home health agencies under title XVIII of
18 the Social Security Act (42 U.S.C. 1395 et seq.), revoke
19 enrollment or impose a moratorium on the enrollment of
20 such agencies under such title, conduct site visits of such
21 agencies, audit such agencies, or exclude or deny payment
22 for suspect claims for home health services under such
23 title.