

“(1) RECEIPT OF FINDING BY CHAIN.—Not later than 10 days after receipt of a finding of an independent monitor under subsection (c)(4), a chain participating in the demonstration project shall submit to the independent monitor a report—

“(A) outlining corrective actions the chain will take to implement the recommendations in such report; or

“(B) indicating that the chain will not implement such recommendations, and why it will not do so.

“(2) RECEIPT OF REPORT BY INDEPENDENT MONITOR.—Not later than 10 days after receipt of a report submitted by a chain under paragraph (1), an independent monitor shall finalize its recommendations and submit a report to the chain and facilities of the chain, the Secretary, and the State or States, as appropriate, containing such final recommendations.

“(e) COST OF APPOINTMENT.—A chain shall be responsible for a portion of the costs associated with the appointment of independent monitors under the demonstration project under this section. The chain shall pay such portion to the Secretary (in an amount and in accordance with procedures established by the Secretary).

“(f) WAIVER AUTHORITY.—The Secretary may waive such requirements of titles XVIII and XIX of the Social Security Act (42 U.S.C. 1395 et seq.; 1396 et seq.) as may be necessary for the purpose of carrying out the demonstration project under this section.

“(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

“(h) DEFINITIONS.—In this section:

“(1) ADDITIONAL DISCLOSABLE PARTY.—The term ‘additional disclosable party’ has the meaning given such term in section 1124(c)(5)(A) of the Social Security Act [42 U.S.C. 1320a-3(c)(5)(A)], as added by section 4201(a) [probably should be “6101(a)”].

“(2) FACILITY.—The term ‘facility’ means a skilled nursing facility or a nursing facility.

“(3) NURSING FACILITY.—The term ‘nursing facility’ has the meaning given such term in section 1919(a) of the Social Security Act (42 U.S.C. 1396r(a)).

“(4) SECRETARY.—The term ‘Secretary’ means the Secretary of Health and Human Services, acting through the Assistant Secretary for Planning and Evaluation.

“(5) SKILLED NURSING FACILITY.—The term ‘skilled nursing facility’ has the meaning given such term in section 1819(a) of the Social Security Act (42 U.S.C. 1395(a) [1395i-3(a)]).

“(i) EVALUATION AND REPORT.—

“(1) EVALUATION.—The Secretary, in consultation with the Inspector General of the Department of Health and Human Services, shall evaluate the demonstration project conducted under this section.

“(2) REPORT.—Not later than 180 days after the completion of the demonstration project under this section, the Secretary shall submit to Congress a report containing the results of the evaluation conducted under paragraph (1), together with recommendations—

“(A) as to whether the independent monitor program should be established on a permanent basis;

“(B) if the Secretary recommends that such program be so established, on appropriate procedures and mechanisms for such establishment; and

“(C) for such legislation and administrative action as the Secretary determines appropriate.”

## § 1320a-7k. Medicare and Medicaid program integrity provisions

### (a) Data matching

#### (1) Integrated data repository

##### (A) Inclusion of certain data

###### (i) In general

The Integrated Data Repository of the Centers for Medicare & Medicaid Services

shall include, at a minimum, claims and payment data from the following:

(I) The programs under subchapters XVIII and XIX (including parts A, B, C, and D of subchapter XVIII).

(II) The program under subchapter XXI.

(III) Health-related programs administered by the Secretary of Veterans Affairs.

(IV) Health-related programs administered by the Secretary of Defense.

(V) The program of old-age, survivors, and disability insurance benefits established under subchapter II.

(VI) The Indian Health Service and the Contract Health Service program.

#### (ii) Priority for inclusion of certain data

Inclusion of the data described in subclause (I) of such clause<sup>1</sup> in the Integrated Data Repository shall be a priority. Data described in subclauses (II) through (VI) of such clause<sup>1</sup> shall be included in the Integrated Data Repository as appropriate.

### (B) Data sharing and matching

#### (i) In general

The Secretary shall enter into agreements with the individuals described in clause (ii) under which such individuals share and match data in the system of records of the respective agencies of such individuals with data in the system of records of the Department of Health and Human Services for the purpose of identifying potential fraud, waste, and abuse under the programs under subchapters XVIII and XIX.

#### (ii) Individuals described

The following individuals are described in this clause:

(I) The Commissioner of Social Security.

(II) The Secretary of Veterans Affairs.

(III) The Secretary of Defense.

(IV) The Director of the Indian Health Service.

#### (iii) Definition of system of records

For purposes of this paragraph, the term “system of records” has the meaning given such term in section 552a(a)(5) of title 5.

### (2) Access to claims and payment databases

For purposes of conducting law enforcement and oversight activities and to the extent consistent with applicable information, privacy, security, and disclosure laws, including the regulations promulgated under the Health Insurance Portability and Accountability Act of 1996 and section 552a of title 5, and subject to any information systems security requirements under such laws or otherwise required by the Secretary, the Inspector General of the Department of Health and Human Services and the Attorney General shall have access to claims and payment data of the Department of Health and Human Services and its contrac-

<sup>1</sup> So in original. Probably should be “clause (i)”.

tors related to subchapters XVIII, XIX, and XXI.

**(b) OIG authority to obtain information**

**(1) In general**

Notwithstanding and in addition to any other provision of law, the Inspector General of the Department of Health and Human Services may, for purposes of protecting the integrity of the programs under subchapters XVIII and XIX, obtain information from any individual (including a beneficiary provided all applicable privacy protections are followed) or entity that—

(A) is a provider of medical or other items or services, supplier, grant recipient, contractor, or subcontractor; or

(B) directly or indirectly provides, orders, manufactures, distributes, arranges for, prescribes, supplies, or receives medical or other items or services payable by any Federal health care program (as defined in section 1320a-7b(f) of this title) regardless of how the item or service is paid for, or to whom such payment is made.

**(2) Inclusion of certain information**

Information which the Inspector General may obtain under paragraph (1) includes any supporting documentation necessary to validate claims for payment or payments under subchapter XVIII or XIX, including a prescribing physician's medical records for an individual who is prescribed an item or service which is covered under part B of subchapter XVIII, a covered part D drug (as defined in section 1395w-102(e) of this title) for which payment is made under an MA-PD plan under part C of such subchapter, or a prescription drug plan under part D of such subchapter, and any records necessary for evaluation of the economy, efficiency, and effectiveness of the programs under subchapters XVIII and XIX.

**(c) Administrative remedy for knowing participation by beneficiary in health care fraud scheme**

**(1) In general**

In addition to any other applicable remedies, if an applicable individual has knowingly participated in a Federal health care fraud offense or a conspiracy to commit a Federal health care fraud offense, the Secretary shall impose an appropriate administrative penalty commensurate with the offense or conspiracy.

**(2) Applicable individual**

For purposes of paragraph (1), the term "applicable individual" means an individual—

(A) entitled to, or enrolled for, benefits under part A of subchapter XVIII or enrolled under part B of such subchapter;

(B) eligible for medical assistance under a State plan under subchapter XIX or under a waiver of such plan; or

(C) eligible for child health assistance under a child health plan under subchapter XXI.

**(d) Reporting and returning of overpayments**

**(1) In general**

If a person has received an overpayment, the person shall—

(A) report and return the overpayment to the Secretary, the State, an intermediary, a carrier, or a contractor, as appropriate, at the correct address; and

(B) notify the Secretary, State, intermediary, carrier, or contractor to whom the overpayment was returned in writing of the reason for the overpayment.

**(2) Deadline for reporting and returning overpayments**

An overpayment must be reported and returned under paragraph (1) by the later of—

(A) the date which is 60 days after the date on which the overpayment was identified; or

(B) the date any corresponding cost report is due, if applicable.

**(3) Enforcement**

Any overpayment retained by a person after the deadline for reporting and returning the overpayment under paragraph (2) is an obligation (as defined in section 3729(b)(3) of title 31) for purposes of section 3729 of such title.

**(4) Definitions**

In this subsection:

**(A) Knowing and knowingly**

The terms "knowing" and "knowingly" have the meaning given those terms in section 3729(b) of title 31.

**(B) Overpayment**

The term "overpayment" means any funds that a person receives or retains under subchapter XVIII or XIX to which the person, after applicable reconciliation, is not entitled under such subchapter.

**(C) Person**

**(i) In general**

The term "person" means a provider of services, supplier, medicare managed care organization (as defined in section 1396b(m)(1)(A) of this title), Medicare Advantage organization (as defined in section 1395w-28(a)(1) of this title), or PDP sponsor (as defined in section 1395w-151(a)(13) of this title).

**(ii) Exclusion**

Such term does not include a beneficiary.

**(e) Inclusion of national provider identifier on all applications and claims**

The Secretary shall promulgate a regulation that requires, not later than January 1, 2011, all providers of medical or other items or services and suppliers under the programs under subchapters XVIII and XIX that qualify for a national provider identifier to include their national provider identifier on all applications to enroll in such programs and on all claims for payment submitted under such programs.

(Aug. 14, 1935, ch. 531, title XI, § 1128J, as added Pub. L. 111-148, title VI, § 6402(a), Mar. 23, 2010, 124 Stat. 753.)

REFERENCES IN TEXT

The Health Insurance Portability and Accountability Act of 1996, referred to in subsec. (a)(2), is Pub. L.

104-191, Aug. 21, 1996, 110 Stat. 1936. For complete classification of this Act to the Code, see Short Title of 1996 Amendments note set out under section 201 of this title and Tables.

**§ 1320a-7I. Nationwide program for national and State background checks on direct patient access employees of long-term care facilities and providers**

**(a) In general**

The Secretary of Health and Human Services (in this section referred to as the “Secretary”), shall establish a program to identify efficient, effective, and economical procedures for long term care facilities or providers to conduct background checks on prospective direct patient access employees on a nationwide basis (in this subsection, such program shall be referred to as the “nationwide program”). Except for the following modifications, the Secretary shall carry out the nationwide program under similar terms and conditions as the pilot program under section 307 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108-173; 117 Stat. 2257), including the prohibition on hiring abusive workers and the authorization of the imposition of penalties by a participating State under subsection (b)(3)(A) and (b)(6), respectively, of such section 307:

**(1) Agreements**

**(A) Newly participating States**

The Secretary shall enter into agreements with each State—

- (i) that the Secretary has not entered into an agreement with under subsection (c)(1) of such section 307;
- (ii) that agrees to conduct background checks under the nationwide program on a Statewide basis; and
- (iii) that submits an application to the Secretary containing such information and at such time as the Secretary may specify.

**(B) Certain previously participating States**

The Secretary shall enter into agreements with each State—

- (i) that the Secretary has entered into an agreement with under such subsection (c)(1), but only in the case where such agreement did not require the State to conduct background checks under the program established under subsection (a) of such section 307 on a Statewide basis;
- (ii) that agrees to conduct background checks under the nationwide program on a Statewide basis; and
- (iii) that submits an application to the Secretary containing such information and at such time as the Secretary may specify.

**(2) Nonapplication of selection criteria**

The selection criteria required under subsection (c)(3)(B) of such section 307 shall not apply.

**(3) Required fingerprint check as part of criminal history background check**

The procedures established under subsection (b)(1) of such section 307 shall—

(A) require that the long-term care facility or provider (or the designated agent of the long-term care facility or provider) obtain State and national criminal history background checks on the prospective employee through such means as the Secretary determines appropriate, efficient, and effective that utilize a search of State-based abuse and neglect registries and databases, including the abuse and neglect registries of another State in the case where a prospective employee previously resided in that State, State criminal history records, the records of any proceedings in the State that may contain disqualifying information about prospective employees (such as proceedings conducted by State professional licensing and disciplinary boards and State Medicaid Fraud Control Units), and Federal criminal history records, including a fingerprint check using the Integrated Automated Fingerprint Identification System of the Federal Bureau of Investigation;

(B) require States to describe and test methods that reduce duplicative fingerprinting, including providing for the development of “rap back” capability by the State such that, if a direct patient access employee of a long-term care facility or provider is convicted of a crime following the initial criminal history background check conducted with respect to such employee, and the employee’s fingerprints match the prints on file with the State law enforcement department, the department will immediately inform the State and the State will immediately inform the long-term care facility or provider which employs the direct patient access employee of such conviction; and

(C) require that criminal history background checks conducted under the nationwide program remain valid for a period of time specified by the Secretary.

**(4) State requirements**

An agreement entered into under paragraph (1) shall require that a participating State—

- (A) be responsible for monitoring compliance with the requirements of the nationwide program;
- (B) have procedures in place to—
  - (i) conduct screening and criminal history background checks under the nationwide program in accordance with the requirements of this section;
  - (ii) monitor compliance by long-term care facilities and providers with the procedures and requirements of the nationwide program;
  - (iii) as appropriate, provide for a provisional period of employment by a long-term care facility or provider of a direct patient access employee, not to exceed 60 days, pending completion of the required criminal history background check and, in the case where the employee has appealed the results of such background check, pending completion of the appeals process, during which the employee shall be subject to direct on-site supervision (in accordance with procedures established by the