

112TH CONGRESS
2D SESSION

H. R. 6332

To establish a grant program to provide States with funds to detect fraud, waste, and abuse in the State Medicaid programs under title XIX of the Social Security Act and to recover improper payments resulting from such fraud, waste, and abuse.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 2, 2012

Mr. ISRAEL introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To establish a grant program to provide States with funds to detect fraud, waste, and abuse in the State Medicaid programs under title XIX of the Social Security Act and to recover improper payments resulting from such fraud, waste, and abuse.

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.**

4 This Act may be cited as the “Local Medicaid En-
5 forcement Incentives Act of 2012”.

1 **SEC. 2. GRANT PROGRAM TO PROVIDE STATES WITH**
2 **FUNDS TO DETECT MEDICAID FRAUD, WASTE,**
3 **AND ABUSE AND RECOVER CERTAIN IM-**
4 **PROPER PAYMENTS.**

5 (a) IN GENERAL.—The Secretary of Health and
6 Human Services shall establish a program to award
7 grants, subject to subsection (c), to States to establish or
8 expand a program described in subsection (b).

9 (b) MEDICAID FRAUD CONTROL PROGRAM.—For
10 purposes of subsection (a), a program described in this
11 subsection is a program that—

12 (1) is administered by a State official with re-
13 sponsibility for controlling provider fraud and abuse
14 under the State plan under title XIX of the Social
15 Security Act (42 U.S.C. 1396 et seq.);

16 (2) detects and prevents fraud, waste, and
17 abuse with respect to payments made under such
18 State plan or under any waiver of such plan ap-
19 proved under section 1115 of the Social Security Act
20 (42 U.S.C. 1315);

21 (3) identifies and recovers overpayments to in-
22 dividuals or entities receiving funds under such
23 State plan or waiver resulting from such fraud,
24 waste, or abuse; and

25 (4) shares with localities within the State that
26 assist in the detection and prevention under para-

1 graph (2) or the identification and recovery under
2 paragraph (3) at least 50 percent of the State's
3 share of the total amount of such funds so recovered
4 during a period as overpayments under paragraph
5 (3) minus any amount expended during such period
6 on administrative costs to carry out the program.

7 (c) FUNDING.—

8 (1) AUTHORIZATION OF APPROPRIATIONS.—To
9 carry out this section, there is authorized to be ap-
10 propriated to the Secretary of Health and Human
11 Services \$100,000,000 to remain available until ex-
12 pended.

13 (2) LIMITATION.—Not more than 5 percent of
14 the amount appropriated pursuant to paragraph (1)
15 may be awarded to any State.

16 (d) STATE DEFINED.—For purposes of this section,
17 the term “State” has the meaning given such term for
18 purposes of title XIX of the Social Security Act (42 U.S.C.
19 1396 et seq.).

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