114TH CONGRESS
2D SESSION

S. 2669

To amend titles XIX and XXI of the Social Security Act to require States to provide to the Secretary of Health and Human Services certain information with respect to provider terminations, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 10, 2016

Mr. CORNYN (for himself and Mr. CARPER) introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To amend titles XIX and XXI of the Social Security Act to require States to provide to the Secretary of Health and Human Services certain information with respect to provider terminations, 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.

This Act may be cited as the ''Ensuring Removal of Terminated Providers from Medicaid and CHIP Act''.

SEC. 2. INCREASING OVERSIGHT OF TERMINATION OF MEDICAID PROVIDERS.

(a) INCREASED OVERSIGHT AND REPORTING.—

(1) STATE REPORTING REQUIREMENTS.—Section 1902(kk) of the Social Security Act (42 U.S.C. 1396a(kk)) is amended—

(A) by redesignating paragraph (8) as paragraph (9); and

(B) by inserting after paragraph (7) the following new paragraph:

''(8) PROVIDER TERMINATIONS.—

''(A) IN GENERAL.—Beginning on July 1, 2018, in the case of a notification under subsection (a)(41) with respect to a termination for a reason specified in section 455.101 of title 42, Code of Federal Regulations (as in effect on November 1, 2015), or for any other reason specified by the Secretary, of the participation of a provider of services or any other person under the State plan, the State, not later than 21 business days after the effective date of such termination, submits to the Secretary with respect to any such provider or person, as appropriate—

''(i) the name of such provider or person;

''(ii) the provider type of such provider or person;

''(iii) the specialty of such provider's or person's practice;

''(iv) the date of birth, social security number, national provider identifier, Federal taxpayer identification number, and the State license or certification number of such provider or person;

''(v) the reason for the termination;

''(vi) a copy of the notice of termination sent to the provider or person;

''(vii) the date on which such termination is effective, as specified in the notice; and

''(viii) any other information required by the Secretary.

''(B) EFFECTIVE DATE DEFINED.—For purposes of this paragraph, the term 'effective date' means, with respect to a termination described in subparagraph (A), the later of—

''(i) the date on which such termination is effective, as specified in the notice of such termination; or

''(ii) the date on which all appeal rights applicable to such termination have

been exhausted or the timeline for any such appeal has expired.''.

(2) CONTRACT REQUIREMENT FOR MANAGED CARE ENTITIES.—Section 1932(d) of the Social Security Act (42 U.S.C. 1396u–2(d)) is amended by adding at the end the following new paragraph:

''(5) CONTRACT REQUIREMENT FOR MANAGED CARE ENTITIES.—With respect to any contract with a managed care entity under section 1903(m) or 1905(t)(3) (as applicable), no later than July 1, 2018, such contract shall include a provision that providers of services or persons terminated (as described in section 1902(kk)(8)) from participation under this title, title XVIII, or title XXI be terminated from participating under this title as a provider in any network of such entity that serves individuals eligible to receive medical assistance under this title.''.

(3) TERMINATION NOTIFICATION DATABASE.—Section 1902 of the Social Security Act (42 U.S.C. 1396a) is amended by adding at the end the following new subsection:

''(ll) TERMINATION NOTIFICATION DATABASE.—In the case of a provider of services or any other person whose participation under this title, title XVIII, or title

XXI is terminated (as described in subsection (kk)(8)), the Secretary shall, not later than 21 business days after the date on which the Secretary terminates such participation under title XVIII or is notified of such termination under subsection (a)(41) (as applicable), review such termination and, if the Secretary determines appropriate, include such termination in any database or similar system developed pursuant to section 6401(b)(2) of the Patient Protection and Affordable Care Act (42 U.S.C. 1395cc note).''.

(4) NO FEDERAL FUNDS FOR ITEMS AND SERVICES FURNISHED BY TERMINATED PROVIDERS.—Section 1903 of the Social Security Act (42 U.S.C. 1396b) is amended—

(A) in subsection (i)(2)—

(i) in subparagraph (A), by striking the comma at the end and inserting a semicolon;

(ii) in subparagraph (B), by striking ''or'' at the end; and

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

''(D) beginning not later than July 1, 2018, under the plan by any provider of services or person whose participation in the State

plan is terminated (as described in section 1902(kk)(8)) after the date that is 60 days after the date on which such termination is included in the database or other system under section 1902(ll); or''; and

(B) in subsection (m), by inserting after paragraph (2) the following new paragraph:

''(3) No payment shall be made under this title to a State with respect to expenditures incurred by the State for payment for services provided by a managed care entity (as defined under section 1932(a)(1)) under the State plan under this title (or under a waiver of the plan) unless the State—

''(A) beginning on July 1, 2018, has a contract with such entity that complies with the requirement specified in section 1932(d)(5); and

''(B) beginning on January 1, 2018, complies with the requirement specified in section 1932(d)(6)(A).''.

(5) DEVELOPMENT OF UNIFORM TERMINOLOGY FOR REASONS FOR PROVIDER TERMINATION.—Not later than July 1, 2017, the Secretary of Health and Human Services shall, in consultation with the heads of State agencies administering State Medicaid plans (or waivers of such plans), issue regula-

tions establishing uniform terminology to be used with respect to specifying reasons under subparagraph (A)(v) of paragraph (8) of section 1902(kk) of the Social Security Act (42 U.S.C. 1396a(kk)), as amended by paragraph (1), for the termination (as described in such paragraph) of the participation of certain providers in the Medicaid program under title XIX of such Act or the Children's Health Insurance Program under title XXI of such Act.

(6) CONFORMING AMENDMENT.—Section 1902(a)(41) of the Social Security Act (42 U.S.C. 1396a(a)(41)) is amended by striking ''provide that whenever'' and inserting ''provide, in accordance with subsection (kk)(8) (as applicable), that whenever''.

(b) INCREASING AVAILABILITY OF MEDICAID PROVIDER INFORMATION.—

(1) FFS PROVIDER ENROLLMENT.—Section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) is amended by inserting after paragraph (77) the following new paragraph:

''(78) provide that, not later than January 1, 2017, in the case of a State plan that provides medical assistance on a fee-for-service basis, the State shall require each provider furnishing items and

services to individuals eligible to receive medical assistance under such plan to enroll with the State agency and provide to the State agency the provider's identifying information, including the name, specialty, date of birth, social security number, national provider identifier, Federal taxpayer identification number, and the State license or certification number of the provider;''.

(2) MANAGED CARE PROVIDER ENROLLMENT.—Section 1932(d) of the Social Security Act (42 U.S.C. 1396u–2(d)), as amended by subsection (a)(2), is amended by adding at the end the following new paragraph:

''(6) ENROLLMENT OF PARTICIPATING PROVIDERS.—

''(A) IN GENERAL.—Beginning not later than January 1, 2018, a State shall require that, in order to participate as a provider in the network of a managed care entity that provides services to, or orders, prescribes, refers, or certifies eligibility for services for, individuals who are eligible for medical assistance under the State plan under this title and who are enrolled with the entity, the provider is enrolled with the State agency administering the State plan

under this title. Such enrollment shall include providing to the State agency the provider's identifying information, including the name, specialty, date of birth, social security number, national provider identifier, Federal taxpayer identification number, and the State license or certification number of the provider.

''(B) RULE OF CONSTRUCTION.—Nothing in subparagraph (A) shall be construed as requiring a provider described in such subparagraph to provide services to individuals who are not enrolled with a managed care entity under this title.''.

(c) COORDINATION WITH CHIP.—

(1) IN GENERAL.—Section 2107(e)(1) of the Social Security Act (42 U.S.C. 1397gg(e)(1)) is amended—

(A) by redesignating subparagraphs (B), (C), (D), (E), (F), (G), (H), (I), (J), (K), (L), (M), (N), and (O) as subparagraphs (D), (E), (F), (G), (H), (I), (J), (K), (M), (N), (O), (P), (Q), and (R), respectively;

(B) by inserting after subparagraph (A) the following new subparagraphs:

''(B) Section 1902(a)(39) (relating to termination of participation of certain providers).

''(C) Section 1902(a)(78) (relating to enrollment of providers participating in State plans providing medical assistance on a fee-for-service basis).'';

(C) by inserting after subparagraph (K) (as redesignated by subparagraph (A)) the following new subparagraph:

''(L) Section 1903(m)(3) (relating to limitation on payment with respect to managed care).''; and

(D) in subparagraph (P) (as redesignated by subparagraph (A)), by striking ''(a)(2)(C) and (h)'' and inserting ''(a)(2)(C) (relating to Indian enrollment), (d)(5) (relating to contract requirement for managed care entities), (d)(6) (relating to enrollment of providers participating with a managed care entity), and (h) (relating to special rules with respect to Indian enrollees, Indian health care providers, and Indian managed care entities)''.

(2) EXCLUDING FROM MEDICAID PROVIDERS EXCLUDED FROM CHIP.—Section 1902(a)(39) of the Social Security Act (42 U.S.C. 1396a(a)(39)) is

amended by striking ''title XVIII or any other State plan under this title'' and inserting ''title XVIII, any other State plan under this title, or any State child health plan under title XXI''.

(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as changing or limiting the appeal rights of providers or the process for appeals of States under the Social Security Act.

(e) OIG REPORT.—Not later than March 31, 2020, the Inspector General of the Department of Health and Human Services shall submit to Congress a report on the implementation of the amendments made by this section. Such report shall include the following:

(1) An assessment of the extent to which providers who are included under subsection (ll) of section 1902 of the Social Security Act (42 U.S.C. 1396a) (as added by subsection (a)(3)) in the database or similar system referred to in such subsection are terminated (as described in subsection (kk)(8) of such section, as added by subsection (a)(1)) from participation in all State plans under title XIX of such Act.

(2) Information on the amount of Federal financial participation paid to States under section 1903 of such Act in violation of the limitation on

such payment specified in subsections (i)(2)(D) and (m)(3) of such section, as added by subsection (a)(4).

(3) An assessment of the extent to which contracts with managed care entities under title XIX of such Act comply with the requirement specified in section 1932(d)(5) of such Act, as added by subsection (a)(2).

(4) An assessment of the extent to which providers have been enrolled under section 1902(a)(78) or 1932(d)(6)(A) of such Act (42 U.S.C. 1396a(a)(78), 1396u–2(d)(6)(A)) with State agencies administering State plans under title XIX of such Act.

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