

115TH CONGRESS
1ST SESSION

H. R. 541

To amend title XIX of the Social Security Act to improve the calculation, oversight, and accountability of non-DSH supplemental payments under the Medicaid program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 13, 2017

Mr. COLLINS of New York (for himself, Mr. MULLIN, Mr. GUTHRIE, Mr. BUCSHON, and Mr. FLORES) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend title XIX of the Social Security Act to improve the calculation, oversight, and accountability of non-DSH supplemental payments under the Medicaid program, 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 This Act may be cited as the “Improving Oversight
5 and Accountability in Medicaid Non-DSH Supplemental
6 Payments Act”.

1 **SEC. 2. IMPROVING CALCULATION, OVERSIGHT, AND AC-**
2 **COUNTABILITY OF NON-DSH SUPPLEMENTAL**
3 **PAYMENTS UNDER THE MEDICAID PROGRAM.**

4 (a) GUIDANCE FOR STATES ON NON-DSH SUPPLE-
5 MENTAL PAYMENTS; STATE REPORTING AND AUDITING
6 REQUIREMENTS.—Section 1903 of the Social Security Act
7 (42 U.S.C. 1396b) is amended by adding at the end the
8 following new subsection:

9 “(aa)(1) Not later than 180 days after the date of
10 the enactment of this subsection, the Secretary shall—

11 “(A) issue guidance to States that identifies
12 permissible methods for calculation of non-DSH sup-
13 plemental payments to providers to ensure such pay-
14 ments are consistent with section 1902(a)(30)(A)
15 (including any regulations issued under such section
16 such as the regulations specifying upper payment
17 limits under the State plan in part 447 of title 42,
18 Code of Federal Regulations (or any successor regu-
19 lations));

20 “(B) establish annual reporting requirements
21 for States making non-DSH supplemental payments
22 that include—

23 “(i) with respect to a provider that is a
24 hospital, nursing facility, intermediate care fa-
25 cility for the mentally retarded, or an institu-
26 tion for mental diseases, or any other institu-

tion, an identification of each provider that received a non-DSH supplemental payment for the preceding fiscal year, the type of ownership or operating authority of each such provider, and the aggregate amount of such payments received by each provider for the preceding fiscal year broken out by category of service;

“(ii) with respect a provider that is not described in clause (i), any information specified in the preceding paragraph, as determined appropriate by the Secretary; and

“(iii) such other information as the Secretary determines to be necessary to ensure that non-DSH supplemental payments made to providers under this section are consistent with section 1902(a)(30)(A); and

“(C) establish requirements for States making non-DSH supplemental payments to conduct and submit to the Secretary an annual independent certified audit that verifies—

“(i) the extent to which non-DSH supplemental payments made in the preceding fiscal year are consistent with the guidance issued under subparagraph (A);

1 “(ii) that payments made under the State
2 plan (or under a waiver of the plan) are only
3 for the provision of covered services to eligible
4 individuals under the State plan (or under a
5 waiver of the plan); and

6 “(iii) any other information the Secretary
7 determines is necessary to ensure non-DSH
8 supplemental payments are consistent with ap-
9 plicable Federal laws and regulations.

10 “(2) For purposes of this subsection, the term ‘non-
11 DSH supplemental payment’ means a payment, other
12 than a payment under section 1923, that—

13 “(A) is identified by the Secretary through
14 guidance described in paragraph (1)(A);

15 “(B) is made by a State to a provider under the
16 State plan (or under a waiver of the plan) for an
17 item or service furnished to an individual eligible for
18 medical assistance under the State plan (or under a
19 waiver of the plan); and

20 “(C) is in addition to any base or standard pay-
21 ments made to a provider under the State plan (or
22 under a waiver of the plan) for such an item or serv-
23 ice, including any additional payments made to such
24 provider that are not more than any limits imposed
25 pursuant to section 1902(a)(30)(A) (including the

1 regulations specifying upper payment limits under
2 the State plan in part 447 of title 42, Code of Fed-
3 eral Regulations (or any successor regulations)).”.

4 (b) STATE REPORTING AND AUDITING OF NON-DSH
5 SUPPLEMENTAL PAYMENTS.—Section 1903(i) of the So-
6 cial Security Act (42 U.S.C. 1396b(i)) is amended—

7 (1) in paragraph (26), by striking “or” at the
8 end;

9 (2) by redesignating paragraph (27) as para-
10 graph (28); and

11 (3) by inserting after paragraph (26) the fol-
12 lowing new paragraph:

13 “(27) with respect to amounts expended to
14 make any non-DSH supplemental payment (as de-
15 fined in subsection (aa)(2)), unless the State com-
16 plies with the reporting and auditing requirements
17 under subparagraphs (B) and (C) of subsection
18 (aa)(1); or”.

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