

115TH CONGRESS
2D SESSION

H. R. 6753

To amend title XI of the Social Security Act to direct the Secretary of Health and Human Services to establish a public-private partnership for purposes of identifying health care waste, fraud, and abuse.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 7, 2018

Mr. WALDEN (for himself and Mr. PALLONE) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title XI of the Social Security Act to direct the Secretary of Health and Human Services to establish a public-private partnership for purposes of identifying health care waste, fraud, 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 “Strengthening the
5 Health Care Fraud Prevention Task Force Act of 2018”.

1 **SEC. 2. PUBLIC-PRIVATE PARTNERSHIP FOR HEALTH CARE**
2 **WASTE, FRAUD, AND ABUSE DETECTION.**

3 (a) IN GENERAL.—Section 1128C(a) of the Social
4 Security Act (42 U.S.C. 1320a–7c(a)) is amended by add-
5 ing at the end the following new paragraph:

6 “(6) PUBLIC-PRIVATE PARTNERSHIP FOR
7 WASTE, FRAUD, AND ABUSE DETECTION.—

8 “(A) IN GENERAL.—Under the program
9 described in paragraph (1), there is established
10 a public-private partnership (in this paragraph
11 referred to as the ‘partnership’) of health plans,
12 Federal and State agencies, law enforcement
13 agencies, and health care anti-fraud organiza-
14 tions (in this paragraph referred to as ‘part-
15 ners’) for purposes of detecting and preventing
16 health care waste, fraud, and abuse.

17 “(B) CONTRACT WITH TRUSTED THIRD
18 PARTY.—

19 “(i) IN GENERAL.—In carrying out
20 the partnership, the Secretary shall enter
21 into a contract with a trusted third party
22 for purposes of carrying out the duties of
23 the partnership described in subparagraph
24 (C).

25 “(ii) LENGTH OF CONTRACT.—A con-
26 tract with a trusted third party described

1 in clause (i) shall be for a period of 5
2 years. Such contract with such party may
3 be renewed as determined appropriate by
4 the Secretary.

5 “(C) DUTIES OF PARTNERSHIP.—The
6 partnership shall—

7 “(i) provide technical and operational
8 support to facilitate data sharing between
9 partners in the partnership;

10 “(ii) analyze data so shared to iden-
11 tify fraudulent and aberrant billing pat-
12 terns;

13 “(iii) conduct aggregate analyses of
14 health care data so shared across Federal,
15 State, and private health plans for pur-
16 poses of detecting fraud, waste, and abuse
17 schemes;

18 “(iv) identify outlier trends and poten-
19 tial vulnerabilities of partners in the part-
20 nership with respect to such schemes;

21 “(v) refer specific cases of potential
22 criminal conduct to appropriate law en-
23 forcement entities;

24 “(vi) convene, not less than annually,
25 meetings with partners in the partnership

1 for purposes of providing updates on the
2 partnership’s work and facilitating infor-
3 mation sharing between the partners;

4 “(vii) enter into data sharing and
5 data use agreements with partners in the
6 partnership in such a manner so as to en-
7 sure the partnership has access to data
8 necessary to identify waste, fraud, and
9 abuse while maintaining the confidentiality
10 and integrity of such data;

11 “(viii) provide partners in the partner-
12 ship with plan-specific, confidential feed-
13 back on any aberrant billing patterns or
14 potential fraud identified by the partner-
15 ship with respect to such partner;

16 “(ix) establish a process by which en-
17 tities described in subparagraph (A) may
18 enter the partnership and requirements
19 such entities must meet to enter the part-
20 nership;

21 “(x) provide appropriate training, out-
22 reach, and education to partners based on
23 the results of data analyses described in
24 clauses (ii) and (iii); and

1 “(xi) perform such other duties as the
2 Secretary determines appropriate.

3 “(D) SUBSTANCE USE DISORDER TREAT-
4 MENT ANALYSIS.—Not later than 2 years after
5 the date of the enactment of the Strengthening
6 the Health Care Fraud Prevention Task Force
7 Act of 2018, the trusted third party with a con-
8 tract in effect under subparagraph (B) shall
9 perform an analysis of aberrant or fraudulent
10 billing patterns and trends with respect to pro-
11 viders and suppliers of substance use disorder
12 treatments from data shared with the partner-
13 ship.

14 “(E) EXECUTIVE BOARD.—

15 “(i) EXECUTIVE BOARD COMPOSI-
16 TION.—

17 “(I) IN GENERAL.—There shall
18 be an executive board of the partner-
19 ship comprised of representatives of
20 the Federal Government described in
21 subclause (III) and representatives of
22 the private sector described in sub-
23 clause (IV).

24 “(II) CHAIRS.—The executive
25 board shall be co-chaired by one Fed-

1 eral Government official and one rep-
2 resentative from the private sector.

3 “(III) FEDERAL GOVERNMENT
4 REPRESENTATIVES.—

5 “(aa) REQUIRED MEM-
6 BERS.—The executive board shall
7 consist of the following members
8 (or designees of the following)
9 from the Federal Government:

10 “(AA) The Adminis-
11 trator of the Centers for
12 Medicare & Medicaid Serv-
13 ices.

14 “(BB) The Deputy At-
15 torney General for the De-
16 partment of Justice.

17 “(CC) The Deputy Sec-
18 retary of the Department of
19 Health and Human Services.

20 “(DD) The Inspector
21 General for the Department
22 of Health and Human Serv-
23 ices.

1 “(EE) The Director of
2 the Federal Bureau of In-
3 vestigation.

4 “(bb) PERMISSIVE ADDI-
5 TIONAL MEMBERS.—If deter-
6 mined by unanimous consent of
7 the members of the executive
8 board, the board may include
9 other Federal or State Govern-
10 ment representation as appro-
11 priate, including senior-level rep-
12 resentation from the TRICARE
13 Management Activity, the De-
14 partment of Veterans Affairs, the
15 Office of Personnel Management,
16 State Medicaid agencies, and
17 State medicaid fraud control
18 units.

19 “(IV) PRIVATE SECTOR MEMBER-
20 SHIP.—

21 “(aa) IN GENERAL.—The
22 executive board shall consist of at
23 least three senior-level represent-
24 atives from various private sector
25 health care related associations,

1 including any national association
2 focusing on Medicaid fraud at
3 the State level. The private
4 health sector associations shall be
5 national professional associations
6 or trade groups that are focused
7 on health care insurance, anti-
8 fraud, or both.

9 “(bb) SELECTION.—The
10 members of the board from pri-
11 vate sector health care related as-
12 sociations shall be jointly selected
13 by the Federal Government mem-
14 bers described in subclause
15 (III)(aa), after outreach to
16 known relevant private sector
17 health care related associations
18 with a national scope. After con-
19 sidering any appropriate indi-
20 vidual input from private-sector
21 partners, the Secretary and At-
22 torney General (or their des-
23 ignees) shall make all final execu-
24 tive decisions. In the case that
25 the executive board expands the

1 number of members from the
2 Federal Government pursuant to
3 subclause (III)(bb), the number
4 of members of the executive
5 board from the private health
6 sector may also increase by the
7 same number of representatives,
8 through the same process as de-
9 scribed in this item for purposes
10 of selection of members from the
11 private sector.

12 “(ii) MEETINGS.—The executive
13 board of the partnership shall meet at
14 least twice per year.

15 “(iii) EXECUTIVE BOARD DUTIES.—
16 The duties of the executive board shall in-
17 clude the following:

18 “(I) Providing strategic direction
19 for the partnership, including mem-
20 bership criteria and a mission state-
21 ment.

22 “(II) Communicating with the
23 leadership of the Department of
24 Health and Human Services and the

1 Department of Justice and the var-
2 ious private health sector associations.

3 “(III) Sharing with partners top-
4 ics for studies and analysis.

5 “(F) REPORTS.—Not later than September
6 30, 2021, and every 2 years thereafter, the Sec-
7 retary shall submit to Congress and make avail-
8 able on the public website of the Centers for
9 Medicare & Medicaid Services a report con-
10 taining—

11 “(i) a review of activities conducted by
12 the partnership over the 2-year period end-
13 ing on the date of the submission of such
14 report, including any progress to any ob-
15 jectives established by the partnership;

16 “(ii) any savings voluntarily reported
17 by health plans participating in the part-
18 nership attributable to the partnership
19 during such period;

20 “(iii) any savings to the Federal gov-
21 ernment attributable to the partnership
22 during such period;

23 “(iv) any other savings attributable to
24 the partnership, as determined by the Sec-
25 retary, during such period; and

1 “(v) a strategic plan for the 2-year
2 period beginning on the day after the date
3 of the submission of such report, including
4 a description of any emerging fraud and
5 abuse schemes, trends, or practices that
6 the partnership intends to study during
7 such period.

8 “(G) FUNDING.—The partnership shall be
9 funded by amounts otherwise made available to
10 the Secretary for carrying out the program de-
11 scribed in paragraph (1).

12 “(H) TRANSITIONAL PROVISIONS.—To the
13 extent consistent with this subsection, all func-
14 tions, personnel, assets, liabilities, and adminis-
15 trative actions applicable on the date before the
16 date of the enactment of this paragraph to the
17 National Fraud Prevention Partnership estab-
18 lished on September 10, 2012, by charter of the
19 Secretary shall be transferred to the partner-
20 ship established under subparagraph (A) as of
21 the date of the enactment of this paragraph.

22 “(I) DEFINITION.—For purposes of this
23 paragraph, the term ‘trusted third party’ means
24 an entity that—

1 “(i) demonstrates the capability to
2 carry out the duties of the partnership de-
3 scribed in subparagraph (C);

4 “(ii) complies with such conflict of in-
5 terest standards determined appropriate by
6 the Secretary; and

7 “(iii) meets such other requirements
8 as the Secretary may prescribe.”.

9 (b) POTENTIAL EXPANSION OF PUBLIC-PRIVATE
10 PARTNERSHIP ANALYSES.—Not later than 1 year after
11 the date of the enactment of this Act, the Secretary of
12 Health and Human Services shall conduct a study and
13 submit to Congress a report on the feasibility of the part-
14 nership (as described in section 1128C(a)(6) of the Social
15 Security Act, as added by subsection (a)) establishing a
16 system to conduct real-time data analysis to proactively
17 identify ongoing as well as emergent fraud trends for the
18 entities participating in the partnership and provide such
19 entities with real-time feedback on potentially fraudulent
20 claims. Such report shall include the estimated cost of and
21 any potential barriers to the partnership establishing such
22 a system.

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