



**HAWAII HEALTH SYSTEMS**  
C O R P O R A T I O N

*"Touching Lives Every Day"*

## ***COMPLIANCE ALERT 10-9***

### ***New U.S. Senate Bill introduced by Senator Grassley to Address Health Care Fraud***

Senator Grassley has recently introduced S. 2964, "The Strengthening Program Integrity and Accountability in Health Care Act," which includes various health care fraud prevention methods from the now-stalled health care reform bills, as well as additional provisions that would make further pro-whistleblower changes to the False Claims Act.

The proposed bill targeting Medicare and Medicaid fraud would:

- Strengthen the Federal Government's Ability to Prevent Medicare, Medicaid and CHIP payments from going to fraudsters
- Strengthen the Federal Government's ability to monitor and detect fraud, waste, and abuse
- Strengthen Federal government enforcement of the False Claims Act,
- Establish a Medicare self-referral disclosure protocol.
- Expand the RAC program to Medicaid and Medicare Parts C & D.
- Increase funding for programs that address fraud, waste and abuse
- Strengthen reporting requirements of Medicare and Medicaid Integrity Programs.

Specifically, the proposed legislation would:

- Require that HHS establish similar procedures for screening providers and suppliers enrolling in the Medicare, Medicaid, and CHIP programs. The proposal would also impose new disclosure requirements on providers and suppliers.
- Require Medicare and Medicaid providers to establish a compliance program under requirements developed by HHS and the OIG.

- Require the reporting and returning of overpayments within 60 days after the date identified or the date a corresponding cost report is due, after which time an “obligation” arises that may lead to liability under the False Claims Act, Section 102;
- Expand the Civil Monetary Penalties Section of the Social Security Act to cover various actions.
- Allow the extension of time that Medicare payments must be made to providers if there is a determination of the likelihood of fraud, waste, and abuse.
- Change the maximum period of submission of Medicare claims to not more than 12 months.
- Establish a self-referral disclosure protocol (SRDP) to enable health care providers and suppliers to disclose actual or potential Stark violations.
- Prohibit payments under Medicaid to any financial institution or entity located outside of the U.S.
- Extend the time period for states to repay Medicaid overpayments due to fraud to one year from the current 60 days providing certain stipulations were met.
- Change the statute of limitations for retaliation claims under the False Claims Act.

Senator Grassley says the bill brings together “common sense, bipartisan initiatives to fight fraud, waste, and abuse in taxpayer-sponsored health care programs, which all face serious budgetary challenges.”