

.....
(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To amend title XIX of the Social Security Act to require the Secretary of Health and Human Services to make uniformly available to States certain standardized data analytic technologies to identify and prevent fraud, waste, and abuse under Medicaid.

IN THE HOUSE OF REPRESENTATIVES

Mr. BALDERSON introduced the following bill; which was referred to the Committee on _____

A BILL

To amend title XIX of the Social Security Act to require the Secretary of Health and Human Services to make uniformly available to States certain standardized data analytic technologies to identify and prevent fraud, waste, and abuse under Medicaid.

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 Med-
5 icaid Analytics to Reduce Theft Act” or the “SMART
6 Act”.

1 **SEC. 2. REQUIRING THE AVAILABILITY OF CERTAIN STAND-**
2 **ARDIZED DATA ANALYTIC TECHNOLOGIES**
3 **UNDER MEDICAID.**

4 Section 1903 of the Social Security Act (42 U.S.C.
5 1396b) is amended by adding at the end the following new
6 subsection:

7 “(cc) AVAILABILITY OF STANDARDIZED DATA ANA-
8 LYTIC TECHNOLOGIES TO IDENTIFY FRAUD.—

9 “(1) IN GENERAL.—Beginning not later than
10 180 days after the date of the enactment of this
11 subsection, the Secretary shall make available to
12 each State standardized data analytic technologies
13 for purposes of identifying and preventing fraud,
14 waste, and abuse under the State plan (or waiver of
15 such plan) of such State under this title. In making
16 such technologies available, the Secretary shall—

17 “(A) ensure that such technologies are
18 interoperable with the mechanized claims proc-
19 essing and information retrieval systems de-
20 scribed in subsection (a)(3)(A)(i), including
21 Medicaid Management Information Systems
22 and State eligibility and enrollment systems,
23 and any other systems relevant to program in-
24 tegrity under this title, as determined by the
25 Secretary;

1 “(B) ensure that each State has the abil-
2 ity, through the use of such technologies, to—

3 “(i) review the risk indicators de-
4 scribed in subparagraph (C)(i) and receive
5 alerts regarding fraud, waste, and abuse
6 vulnerabilities;

7 “(ii) access datasets and analytic out-
8 puts for purposes of identifying potentially
9 improper billing, utilization, or enrollment
10 patterns;

11 “(iii) use any dashboard or other in-
12 vestigative tools made available by the Sec-
13 retary for the purposes of program integ-
14 rity under this title;

15 “(iv) receive any program integrity
16 alerts that apply across more than 1 State
17 or program;

18 “(v) conduct State-specific analyses
19 and generate State-level reports; and

20 “(vi) integrate analytic outputs from
21 such technologies into existing State pro-
22 gram integrity activities; and

23 “(C) use such technologies to—

24 “(i) establish risk indicators that re-
25 flect the extent to which providers, sup-

1 pliers, and other entities participating in
2 more than 1 State plan under this title (or
3 waiver of such plan), or participating in
4 multiple Federal health care programs,
5 may present a risk for fraud, waste, or
6 abuse, based on—

7 “(I) billing data;

8 “(II) utilization data;

9 “(III) enrollment data; and

10 “(IV) any other relevant data re-
11 lated to a Federal health care pro-
12 gram (as determined by the Sec-
13 retary); and

14 “(ii) provide States with actionable
15 alerts based on such risk indicators.

16 “(2) TECHNICAL ASSISTANCE.—The Secretary
17 shall provide technical assistance and training to
18 States on how to use the technologies made available
19 under paragraph (1).

20 “(3) REPORT.—Not later than 1 year after the
21 date of enactment of this subsection, and annually
22 thereafter, the Secretary shall submit to Congress a
23 report on the technologies described in paragraph
24 (1). Each such report shall include the following in-
25 formation:

1 “(A) The number of States with access to
2 the technologies made available under para-
3 graph (1), and a description of any barriers to
4 such access.

5 “(B) The rate of utilization of such tech-
6 nologies by each State, and a description of any
7 barriers to such utilization.

8 “(C) The number of instances of possible
9 fraud, waste, and abuse identified through the
10 use of such technologies, and an estimate of the
11 amount of overpayments identified and collected
12 in connection with such instances.”.