

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 3716  
OFFERED BY MR. BUCSHON OF INDIANA**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Ensuring Terminated  
3 Providers are Removed from Medicaid and CHIP Act”.

**4 SEC. 2. INCREASING OVERSIGHT OF TERMINATION OF  
5 MEDICAID PROVIDERS.**

6       (a) INCREASED OVERSIGHT AND REPORTING.—

7           (1) STATE REPORTING REQUIREMENTS.—Sec-  
8 tion 1902(kk) of the Social Security Act (42 U.S.C.  
9 1396a(kk)) is amended—

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

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

14           “(8) PROVIDER TERMINATIONS.—

15           “(A) IN GENERAL.—Beginning on January  
16 1, 2017, in the case of a notification under sub-  
17 section (a)(41) with respect to a termination for  
18 cause, or any other reason determined by the

1 Secretary, of the participation of a provider of  
2 services or any other person under the State  
3 plan, the State, not later than 21 business days  
4 after the effective date of such termination,  
5 submits to the Secretary with respect to any  
6 such provider or person, as appropriate—

7 “(i) the name of such provider or per-  
8 son;

9 “(ii) the provider type of such pro-  
10 vider or person;

11 “(iii) the specialty of such provider’s  
12 or person’s practice;

13 “(iv) the date of birth, Social Security  
14 number, national provider identifier, Fed-  
15 eral taxpayer identification number, and  
16 the State license or certification number of  
17 such provider or person;

18 “(v) the reason for the termination;

19 “(vi) a copy of the notice of termi-  
20 nation sent to the individual or entity;

21 “(vii) the effective date of such termi-  
22 nation specified in such notice; and

23 “(viii) any other information required  
24 by the Secretary.

1           “(B) DEFINITIONS.—For purposes of this  
2           subparagraph (A)—

3                   “(i) the term ‘effective date’ means,  
4                   with respect to a termination, the later  
5                   of—

6                           “(I) the date on which such ter-  
7                           mination is effective, as specified in  
8                           the notice of such termination; or

9                                   “(II) the date on which all appeal  
10                                   rights applicable to such termination  
11                                   have been exhausted or the timeline  
12                                   for any such appeal has expired; and

13                                   “(ii) the phrase ‘for cause’ means  
14                                   with respect to a termination (as defined  
15                                   in section 455.101 of title 42, Code of  
16                                   Federal Regulations (or any successor reg-  
17                                   ulations)), the reasons for such a termi-  
18                                   nation specified in paragraph (3) in the  
19                                   definition of such term under such sec-  
20                                   tion.”.

21                   (2) REPORTING REQUIREMENTS FOR MANAGED  
22                   CARE ENTITIES.—Section 1903(m)(2)(A) of the So-  
23                   cial Security Act (42 U.S.C. 1396b(m)(2)(A)) is  
24                   amended—

1 (A) in clause (xii), by striking “and” at  
2 the end;

3 (B) in clause (xiii), by striking the period  
4 at the end and inserting “; and”; and

5 (C) by adding at the end the following new  
6 clause:

7 “(xiv) STATE REPORTING REQUIREMENTS  
8 FOR MANAGED CARE ENTITIES.—

9 “(I) IN GENERAL.—With respect to  
10 managed care entities (as defined in sec-  
11 tion 1932(a)(1)), beginning on the later of  
12 or the first day of the first plan year for  
13 such entity that begins after such date of  
14 enactment or January 1, 2017, the State  
15 requires that any contract the State agen-  
16 cy has with any such entity includes a pro-  
17 vision that individuals or entities termi-  
18 nated for cause (as defined in section  
19 1902(kk)(8)) or for any other reason de-  
20 termined by the Secretary from participa-  
21 tion under this title, title XVIII, or title  
22 XXI, be terminated from participating as a  
23 provider in the networks of managed care  
24 entities under this title that serve individ-

1 uals eligible to receive medical assistance  
2 under this title.

3 “(II) NOTIFICATION OF TERMI-  
4 NATION.—For the period beginning on  
5 January 1, 2017 and ending on the date  
6 on which the enrollment of providers under  
7 section 1932(d)(5) is complete for the  
8 State, the State provides for a system for  
9 notifying managed care entities (as defined  
10 in section 1932(a)(1)) of the termination  
11 of individuals or entities from participation  
12 under this title, title XVIII, or title XXI.”.

13 (3) TERMINATION NOTIFICATION DATABASE.—  
14 Section 1902 of the Social Security Act (42 U.S.C.  
15 1396a) is amended by adding at the end the fol-  
16 lowing new subsection:

17 “(II) TERMINATION NOTIFICATION DATABASE.—In  
18 the case of a provider of services or any other person  
19 whose participation under this title, title XVIII, or title  
20 XXI is terminated, the Secretary shall, not later than 21  
21 business days after the date on which the Secretary termi-  
22 nates such participation under title XVIII or is notified  
23 of such termination under subsection (a)(41) (as applica-  
24 ble), review such termination and, if the Secretary deter-  
25 mines appropriate, include such termination in any data-

1 base or similar system developed pursuant to section  
2 6401(b)(2) of the Patient Protection and Affordable Care  
3 Act (42 U.S.C. 1395cc note; Public Law 111–148).”.

4 (4) NO FEDERAL FUNDS FOR ITEMS AND SERV-  
5 ICES FURNISHED BY TERMINATED PROVIDERS.—  
6 Section 1903(i)(2) of the Social Security Act (42  
7 U.S.C. 1396b(i)(2)) is amended—

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

10 (B) in subparagraph (B), by striking “or”  
11 at the end; and

12 (C) by adding at the end the following new  
13 subparagraph:

14 “(D) beginning not later than January 1,  
15 2018, under the plan by any individual or enti-  
16 ty whose participation in the State plan is ter-  
17 minated under subsection (a)(39) of section  
18 1902 after the date that is 60 days after the  
19 date on which such termination is included in  
20 the database or other system under subsection  
21 (ll) of such section; or”.

22 (5) DEVELOPMENT OF UNIFORM TERMINOLOGY  
23 FOR REASONS FOR PROVIDER TERMINATION.—Not  
24 later than January 1, 2017, the Secretary of Health  
25 and Human Services shall issue regulations estab-

1 lishing uniform terminology to be used with respect  
2 to specifying reasons under paragraph (8)(A)(v) of  
3 section 1902(kk) of the Social Security Act (42  
4 U.S.C. 1396a(kk)), as amended by paragraph (1),  
5 for the termination of the participation of certain  
6 providers in the Medicaid program under title XIX  
7 of such Act or the Children’s Health Insurance Pro-  
8 gram under title XXI of such Act.

9 (6) CONFORMING AMENDMENT.—Section  
10 1902(a)(41) of the Social Security Act (42 U.S.C.  
11 1396a(a)(41)) is amended by striking “provide that  
12 whenever” and inserting “provide, in accordance  
13 with subsection (kk)(8) (as applicable), that when-  
14 ever”.

15 (b) INCREASING AVAILABILITY OF MEDICAID PRO-  
16 VIDER INFORMATION.—

17 (1) FFS PROVIDER ENROLLMENT.—Section  
18 1902(a) of the Social Security Act (42 U.S.C.  
19 1396a(a)) is amended by inserting after paragraph  
20 (77) the following new paragraph:

21 “(78) provide that, not later than January 1,  
22 2017, in the case of a State plan that provides med-  
23 ical assistance on a fee-for-service basis, the State  
24 shall require each provider furnishing items and  
25 services to individuals eligible to receive medical as-

1       sistance under such plan to enroll with the State  
2       agency and provide to the State agency the pro-  
3       vider’s identifying information, including the name,  
4       specialty, date of birth, Social Security number, na-  
5       tional provider identifier, Federal taxpayer identi-  
6       fication number, and the State license or certifi-  
7       cation number of the provider;”.

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

12              “(5) ENROLLMENT OF PARTICIPATING PRO-  
13      VIDERS.—

14              “(A) IN GENERAL.—Beginning not later  
15      than January 1, 2018, a State shall require  
16      that, in order to participate as a provider in the  
17      network of a managed care entity that provides  
18      services to, or orders, prescribes, refers, or cer-  
19      tifies eligibility for services for, individuals who  
20      are eligible for medical assistance under the  
21      State plan under this title and who are enrolled  
22      with the entity, the provider is enrolled with the  
23      State agency administering the State plan  
24      under this title. Such enrollment shall include  
25      providing to the State agency the provider’s



1 identifying information, including the name,  
2 specialty, date of birth, Social Security number,  
3 national provider identifier, Federal taxpayer  
4 identification number, and the State license or  
5 certification number of the provider.

6 “(B) RULE OF CONSTRUCTION.—Nothing  
7 in subparagraph (A) shall be construed as re-  
8 quiring a provider described in such subpara-  
9 graph to provide services to individuals who are  
10 not enrolled with a managed care entity under  
11 this title.”.

12 (c) COORDINATION WITH CHIP.—

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

16 (A) by redesignating subparagraphs (B)  
17 through (O) as subparagraphs (D) through (Q),  
18 respectively;

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

21 “(B) Section 1902(a)(39) (relating to ter-  
22 mination of participation of certain providers).

23 “(C) Section 1902(a)(78) (relating to the  
24 enrollment of providers participating in State

1 plans providing medical assistance on a fee-for-  
2 service basis.”; and

3 (C) in subparagraph (O) (as redesignated  
4 by paragraph (1)), by striking “(a)(2)(C) and  
5 (h)” and inserting “(a)(2)(C) (relating to In-  
6 dian enrollment), (d)(5) (relating to enrollment  
7 of providers participating with a managed care  
8 entity), and (h) (relating to special rules with  
9 respect to Indian enrollees, Indian health care  
10 providers, and Indian managed care entities)”.

11 (2) EXCLUDING FROM MEDICAID PROVIDERS  
12 EXCLUDED FROM CHIP.—Section 1902(a)(39) of the  
13 Social Security Act (42 U.S.C. 1396a(a)(39)) is  
14 amended by striking “title XVIII or any other State  
15 plan under this title” and inserting “title XVIII, any  
16 other State plan under this title, or any State child  
17 health plan under title XXI”.

18 (d) RULE OF CONSTRUCTION.—Nothing in this sec-  
19 tion shall be construed as changing or limiting the appeal  
20 rights of providers or the process for appeals of States  
21 under the Social Security Act.

