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(Original Signature of Member)

119TH CONGRESS
2^D SESSION

H. R. _____

To amend title XVIII of the Social Security Act to ensure appropriate payments under Medicare Advantage, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To amend title XVIII of the Social Security Act to ensure appropriate payments under Medicare Advantage, 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.**

4 This Act may be cited as the “Saving Medicare En-
5 rollees from Deceptive Insurers and Creating Ample Re-
6 sources for Everyone Act of 2026” or the “Save MEDI-
7 CARE Act of 2026”.

1 **SEC. 2. RISK ADJUSTMENT.**

2 (a) RULEMAKING.—As part of the annual rulemaking
3 cycle for Medicare Advantage for payments applicable to
4 2028 and subsequent years, the Secretary of Health and
5 Human Services, in consultation with the Inspector Gen-
6 eral of the Department of Health and Human Services—

7 (1) shall include an analysis identifying diag-
8 nosis codes with a high rate of differential coding
9 between equivalent enrollees in Medicare Advantage
10 and Medicare beneficiaries not enrolled under a
11 Medicare Advantage plan, a high rate of discre-
12 tionary coding, or limited treatment implications;
13 and

14 (2) shall exclude or adjust diagnosis codes that
15 the Secretary determines are most likely to be sub-
16 ject to coding variation by Medicare Advantage
17 plans from diagnosis data submitted to the Sec-
18 retary for purposes of determining appropriate pay-
19 ment adjustments for health status.

20 (b) EXCLUSION OF DIAGNOSES COLLECTED FROM
21 CHART REVIEWS AND HEALTH RISK ASSESSMENTS.—

22 (1) MEDICARE ADVANTAGE PLANS.—Section
23 1853(a)(1)(C) of such Act (42 U.S.C. 1395w-
24 23(a)(1)(C)) is amended by adding at the end the
25 following new clause:

1 “(iv) EXCLUSION OF DIAGNOSES COL-
2 LECTED FROM CHART REVIEWS AND
3 HEALTH RISK ASSESSMENTS.—

4 “(I) IN GENERAL.—For 2028
5 and each subsequent year, for pur-
6 poses of establishing the payment ad-
7 justment factors and adjusting pay-
8 ment based on health status under
9 clause (i), the Secretary shall not take
10 into account a diagnosis collected
11 from a chart review or a health risk
12 assessment.

13 “(II) IDENTIFICATION OF DIAG-
14 NOSES COLLECTED FROM CHART RE-
15 VIEWS AND HEALTH RISK ASSESS-
16 MENTS.—The Secretary shall estab-
17 lish procedures to provide for the
18 identification and verification of diag-
19 noses collected from chart reviews and
20 health risk assessments.”.

21 (2) PRESCRIPTION DRUG PLANS.—Section
22 1860D–15(c)(1) of the Social Security Act (42
23 U.S.C. 1395w–115(c)(1)) is amended by adding at
24 the end the following new subparagraph:

1 “(E) EXCLUSION OF DIAGNOSES COL-
2 LECTED FROM CHART REVIEWS AND HEALTH
3 RISK ASSESSMENTS.—

4 “(i) IN GENERAL.—For 2028 and
5 each subsequent year, for purposes of es-
6 tablishing the methodology and adjusting
7 the standardized bid amount based on
8 health status under subparagraph (A), the
9 Secretary shall not take into account a di-
10 agnosis collected from a chart review or a
11 health risk assessment.

12 “(ii) IDENTIFICATION OF DIAGNOSES
13 COLLECTED FROM CHART REVIEWS AND
14 HEALTH RISK ASSESSMENTS.—The Sec-
15 retary shall establish procedures to provide
16 for the identification and verification of di-
17 agnoses collected from chart reviews and
18 health risk assessments.”.

19 (c) MEDPAC STUDY AND REPORT.—

20 (1) STUDY.—The Medicare Payment Advisory
21 Commission shall conduct a study to determine how
22 results from a Consumer Assessment of Healthcare
23 Providers and Systems (CAHPS)-sized survey could
24 be extrapolated across all enrollees under a Medicare
25 Advantage contract for the purposes of calculating

1 risk adjusted payments. Such study shall include
2 recommendations on methodology, modifications to
3 the CAPHS survey questions, and CAHPS survey
4 sample size.

5 (2) REPORT.—Not later than 3 years after the
6 date of enactment of this Act, the Medicare Pay-
7 ment Advisory Commission shall submit to Congress
8 a report on the study conducted under paragraph
9 (1), together with recommendations for such legisla-
10 tion and administrative action as the Commission
11 determines appropriate.

12 **SEC. 3. QUALITY BONUS PROGRAM.**

13 Section 1853(o)(1) of the Social Security Act (42
14 U.S.C. 1395w–23(o)(1)) is amended, in the matter pre-
15 ceding subparagraph (A), by inserting “and ending with
16 2028,” after “2012”.

17 **SEC. 4. BENCHMARK PAYMENTS.**

18 (a) ELIMINATING THE COUNTY QUARTILE SYS-
19 TEM.—Section 1853(n)(2)(A) of the Social Security Act
20 (42 U.S.C. 1395w–23(n)(2)(A)) is amended—

21 (1) by redesignating clauses (i) and (ii) as sub-
22 clauses (I) and (II), respectively, and indenting ap-
23 propriately;

24 (2) by striking “is the product of” and insert-
25 ing “is—

1 “(i) for each of 2012 through 2027,
2 the product of”; and

3 (3) by adding at the end the following new
4 clause:

5 “(ii) for 2028 and each subsequent
6 year, is the base payment amount specified
7 in subparagraph (E) for the area and year
8 adjusted to take into account the phase-out
9 in the indirect costs of medical education
10 from capitation rates described in sub-
11 section (k)(4) and, for 2021 and subse-
12 quent years, the exclusion of payments for
13 organ acquisitions for kidney transplants
14 from the capitation rate as described in
15 subsection (k)(5).”.

16 (b) MODIFICATIONS TO BASE PAYMENT AMOUNT.—
17 Section 1853(n)(2) of the Social Security Act (42 U.S.C.
18 1395w-23(n)(2)) is amended—

19 (1) in subparagraph (E), by striking “subpara-
20 graphs (F) and (G)” and inserting “subparagraphs
21 (F), (G), and (H)”; and

22 (2) by adding at the end the following new sub-
23 paragraph:

24 “(H) ADJUSTMENT FOR FAVORABLE SE-
25 LECTION.—For 2028 and each subsequent year:

1 “(i) IN GENERAL.—The base payment
2 amount specified in subparagraph (E) for
3 a year shall be adjusted to account for fa-
4 vorable selection between Medicare Advan-
5 tage and the original Medicare fee-for-serv-
6 ice program under parts A and B in ac-
7 cordance with this subparagraph.

8 “(ii) ANALYSIS.—

9 “(I) IN GENERAL.—In order to
10 ensure the accuracy of the adjustment
11 under clause (i), the Secretary shall
12 annually conduct an analysis of any
13 differences in selection between Medi-
14 care Advantage and the original Medi-
15 care fee-for-service program under
16 parts A and B described in such sub-
17 clause and publish the results of such
18 analysis on the internet website of the
19 Centers for Medicare & Medicaid
20 Services in plain language and in re-
21 search-downloadable files. The Sec-
22 retary shall conduct such analysis
23 among subgroups of the Medicare
24 population, including by at a min-

1 imum race, gender, zip code, income
2 level, and health condition.

3 “(II) TIMING.—The Secretary
4 shall complete such analysis by the
5 date necessary to ensure that the re-
6 sults of such analysis are incorporated
7 on a timely basis into the base pay-
8 ment amount for 2029 and subse-
9 quent years.

10 “(III) DATA.—In conducting
11 such analysis, the Secretary shall use
12 data submitted with respect to 2025
13 and subsequent years, as available
14 and updated as appropriate.

15 “(iii) METHODOLOGY.—In calculating
16 the adjustment under clause (i) for each
17 year, the Secretary shall apply the Medi-
18 care Payment Advisory Commission’s
19 method for estimating favorable selection
20 into Medicare Advantage as described in
21 its March 2026 report to Congress. Apply-
22 ing such method, the Secretary shall cal-
23 culate a ‘selection percentage’ to adjust for
24 favorable selection between Medicare Ad-
25 vantage and the original Medicare fee-for-

1 service program under parts A and B. The
2 selection percentage shall be calculated be-
3 fore the intervention of Medicare Advan-
4 tage plans as the ratio of expected spend-
5 ing for the national average Medicare Ad-
6 vantage beneficiary relative to expected
7 spending for the national average fee-for-
8 service beneficiary, after standardizing for
9 measured risk A value of 1 indicates no
10 difference in expected spending while val-
11 ues below 1 indicate lower expected spend-
12 ing in Medicare Advantage than in fee-for-
13 service Medicare for beneficiaries with the
14 same risk scores. The base payment
15 amount specified in subparagraph (E)
16 shall be multiplied by the selection percent-
17 age to yield a selection-adjusted base pay-
18 ment amount. The selection-adjusted base
19 payment amount shall replace the prior
20 base payment amount in all calculations of
21 payment benchmarks for Medicare Advan-
22 tage.

23 “(iv) MEDPAC REVIEW.—The Medi-
24 care Payment Advisory Commission shall
25 conduct and publish a review of the anal-

1 ysis conducted under clause (ii) and any
2 adjustments made under clause (i) based
3 on such analysis not later than 2 years
4 after implementation of this subparagraph
5 and biennially thereafter.”.

6 **SEC. 5. RISK ADJUSTMENT DATA VALIDATION.**

7 (a) RISK ADJUSTMENT DATA VALIDATION RE-
8 FORMS.—Section 1853(a)(1)(C) of the Social Security Act
9 is amended by adding at the end the following new para-
10 graph:

11 “(7) IMPROVING TIMELINESS OF RADV AUDITS
12 AND APPEALS.—For plan years beginning on or
13 after January 1, 2028, the following requirements
14 shall apply with respect to the Medicare Advantage
15 Risk Adjustment Data Validation Program:

16 “(A) CONTRACT-LEVEL AUDITS.—The Sec-
17 retary shall complete contract-level audits with-
18 in one year.

19 “(B) MEDICAL RECORD REVIEWS.—The
20 Secretary shall complete RADV medical record
21 reviews within 60 days.

22 “(C) DEADLINE FOR COMPLETION OF
23 STAGES 1 AND 2 OF APPEALS.—

24 “(i) STAGE 1.—The reconsideration
25 stage described in section 422.311(c)(6) of

1 title 42, Code of Federal Regulations (or a
2 successor regulation) shall be completed
3 within 90 days.

4 “(ii) STAGE 2.—The hearing stage de-
5 scribed in section 422.311(c)(7) of title 42,
6 Code of Federal Regulations (or a suc-
7 cessor regulation) shall be completed with-
8 in 90 days.

9 “(D) USER FEE.—The Secretary shall re-
10 duce the payments to Medicare Advantage or-
11 ganizations under section 1853 by 0.02 percent
12 for the purpose of carrying out Risk Adjust-
13 ment Data Validation audits.

14 “(E) LIMITATION ON REVIEW.—There
15 shall be no judicial review under section 1869,
16 section 1878, or otherwise of any determination
17 of the Administrator of the Centers for Medi-
18 care and Medicaid Services under the Risk Ad-
19 justment Data Validation audit program.

20 “(F) AUTHORITY TO EXTRAPOLATE.—The
21 Secretary may extrapolate the results of audited
22 samples to the general Medicare Advantage
23 population and retroactively, as the Secretary
24 determines appropriate.”.

1 (b) ENHANCING AUDIT PROCESS.—Section
2 1853(a)(1)(C) of the Social Security Act, as amended by
3 subsection (a), is amended by adding at the end the fol-
4 lowing new paragraph:

5 “(8) IDENTIFICATION AND RECOUPMENT OF
6 OVERPAYMENTS.—

7 “(A) IN GENERAL.—The Secretary shall
8 enter into contracts with one or more recovery
9 audit contractors under section 1893(h) for the
10 identification and recoupment of overpayments,
11 including penalties as defined under subpara-
12 graph (B), with respect to items and services
13 for which payment is made under this part.

14 “(B) PENALTY.—With respect to any over-
15 payment identified under subparagraph (A), the
16 Secretary shall provide for the imposition a
17 penalty in an amount equal to the total amount
18 of overpayment and the rate of interest as de-
19 fined under section 405.378(d) of title 42, Code
20 of Federal Regulations (or a successor regula-
21 tion).

22 “(C) CONTINGENCY FEES.—The Secretary
23 may provide contingency fees to recovery audit
24 contractors in an amount equal to no more than

1 20 percent of recouped overpayments made by
2 such contractor.”.

3 **SEC. 6. GUARD VETERANS HEALTH CARE ACT.**

4 (a) COST-RECOVERY FROM MEDICARE ADVANTAGE
5 AND MEDICARE PRESCRIPTION DRUG PLANS.—

6 (1) COST RECOVERY.—

7 (A) IN GENERAL.—Subchapter III of chap-
8 ter 17 of title 38, United States Code, is
9 amended by inserting after section 1729B the
10 following new section:

11 **“§ 1729C. Cost-recovery from Medicare Advantage**
12 **and Medicare prescription drug plans**

13 “(a) IN GENERAL.—Notwithstanding sections
14 1814(c), 1835(d), and 1862(a)(3) of the Social Security
15 Act (42 U.S.C. 1395f(c), 1395n(d), and 1395y(a)(3)), if
16 the Secretary provides under this chapter any health care
17 item or service (including for a service-connected disability
18 or a non-service-connected disability) covered under the
19 Medicare program under title XVIII of the Social Security
20 Act (42 U.S.C. 1395 et seq.), including outpatient and
21 inpatient care, prescription drugs, medical devices, lab
22 testing, and items or services delivered in post-acute and
23 long-term care settings, to any individual who is enrolled
24 in a Medicare Advantage plan, including an MA–PD plan,
25 offered by a MA organization under part C of such title

1 or a prescription drug plan offered by a PDP sponsor
2 under part D of such title, such organization or sponsor
3 shall, to the extent such item or service is covered under
4 such Medicare Advantage plan or prescription drug plan,
5 reimburse the Secretary for such item or service regardless
6 of any additional documentation, utilization management,
7 or other administrative requirement the plan may impose
8 on the item or service.

9 “(b) RECOVERY OF AMOUNTS.—

10 “(1) IN GENERAL.—The Secretary shall recover
11 amounts required to be reimbursed under subsection
12 (a) through the use of procedures under section
13 1729 of this title to the same extent as those proce-
14 dures are used to recover amounts authorized to be
15 recovered under that section.

16 “(2) AMOUNT AND PROCESS.—Except as pro-
17 vided in paragraph (1), recovery under that para-
18 graph of amounts reimbursed under subsection (a)
19 shall be in such an amount, and occur in accordance
20 with such procedures, as the Secretary shall pre-
21 scribe for purposes of this section.

22 “(c) APPLICATION.—The provisions of subsection (a)
23 shall apply to Medicare Advantage and prescription drug
24 plan years beginning on or after January 1, 2028.

1 “(d) TREATMENT OF AMOUNTS.—Amounts reim-
2 bursed to the Secretary under subsection (a) shall be de-
3 posited in the Department of Veterans Affairs Medical
4 Care Collections Fund under section 1729A of this title.”.

5 (B) CLERICAL AMENDMENT.—The table of
6 sections at the beginning of such chapter is
7 amended by inserting after the item relating to
8 section 1729B the following new item:

 “1729C. Cost-recovery from Medicare Advantage and Medicare prescription
 drug plans.”.

9 (2) MEDICARE CONFORMING AMENDMENTS.—

10 (A) PART A.—Section 1814(c) of the So-
11 cial Security Act (42 U.S.C. 1395f(c)) is
12 amended by inserting “and section 1729C of
13 title 38, United States Code” after “section
14 1880”.

15 (B) PART B.—Section 1835(d) of the So-
16 cial Security Act (42 U.S.C. 1395n(d)) is
17 amended by inserting “and section 1729C of
18 title 38, United States Code” after “section
19 1880”.

20 (C) EXCLUSIONS FROM COVERAGE.—Sec-
21 tion 1862(a)(3) of the Social Security Act (42
22 U.S.C. 1395y(a)(3)) is amended by inserting
23 “in the case of items and services and prescrip-
24 tion drugs for which reimbursement is made

1 under section 1729C of title 38, United States
2 Code,” after “section 1880(e),”.

3 (b) MODIFICATION OF AUTHORITY FOR RECOVERY
4 BY UNITED STATES OF REASONABLE CHARGES FOR CER-
5 TAIN CARE OR SERVICES FURNISHED TO VETERANS FOR
6 NON-SERVICE-CONNECTED DISABILITIES.—Section 1729
7 of title 38, United States Code, is amended—

8 (1) in subsection (a)—

9 (A) by amending paragraph (1) to read as
10 follows:

11 “(1)(A) Subject to the provisions of this section, the
12 United States has the right to recover or collect the rea-
13 sonable charges for care or services that the United States
14 is required by law to furnish or pay for under this chapter
15 for a non-service-connected disability.

16 “(B) The United States has the right to recover or
17 collect from a third party the reasonable charges for care
18 or services furnished as described in subparagraph (A) to
19 the extent that the recipient or provider of the care or
20 services would be eligible to receive payment from a third
21 party.

22 “(C) The right to recover or collect reasonable
23 charges for care or services under this section shall apply
24 to any and all causes of action or recovery rights in tort
25 or under any policy, plan, or contract providing benefits

1 for health care or injury, which accrue to the individual
2 to whom the care or services were furnished, or to the
3 legal representatives of the individual, as a result of the
4 non-service-connected disability that necessitated the care
5 or services.”; and

6 (B) in paragraph (2)—

7 (i) in subparagraph (D), by striking
8 “; or” and inserting a semicolon;

9 (ii) in subparagraph (E)(2), by strik-
10 ing the period at the end and inserting “;
11 or”; and

12 (iii) by adding at the end the fol-
13 lowing new subparagraph:

14 “(F) that is incurred by an individual who is
15 entitled to care (or payment of expenses of care)
16 under circumstances creating a tort liability upon a
17 third party.”;

18 (2) in subsection (b), by amending paragraph
19 (2) to read as follows:

20 “(2)(A) The United States may take any action nec-
21 essary to enforce the subrogation interests of the United
22 States under this section, including by intervening or join-
23 ing in an action or proceeding.

24 “(B) A proceeding under this section may not be
25 brought after the end of the six-year period beginning on

1 the last day on which the care or services for which recov-
2 ery is sought are furnished. Notwithstanding the previous
3 sentence, subject to section 2415 of title 28, and except
4 as otherwise provided by law, any action for money dam-
5 ages under this section brought by the United States or
6 an officer or agency thereof that is founded upon a tort
7 shall be barred unless the complaint is filed within three
8 years after the right of action first accrues.”;

9 (3) in subsection (c)(1), by inserting “or pen-
10 alty” after “claim”;

11 (4) by redesignating subsections (h) and (i) as
12 subsections (l) and (m), respectively;

13 (5) by inserting after subsection (f) the fol-
14 lowing new subsections:

15 “(g)(1) Not later than 45 days after receipt of a
16 claim to recover or collect the reasonable charges for care
17 or services described in subsection (a), or in the case of
18 a tort, not later than 45 days after settlement, judgment,
19 award, liability determination, or resolution relating to the
20 cause of action, a third party shall—

21 “(A) pay a clean claim for reimbursement in ac-
22 cordance with this section;

23 “(B) pay the amount agreed to in writing by
24 the Department; or

1 “(C) provide notice of the date the third party
2 received the claim and include a statement that—

3 “(i) the third party refuses to reimburse
4 all or part of the claim and specify each reason
5 for the refusal to pay; or

6 “(ii) additional information is necessary to
7 determine if all or part of the claim will be re-
8 imbursed and what specific additional informa-
9 tion is necessary.

10 “(2) Paragraph (1) shall not apply to a claim if there
11 is a good faith dispute about the legitimacy of the claim.

12 “(3)(A) If any third party fails to comply with para-
13 graph (1), such third party shall be required to pay inter-
14 est to the United States at the rate established by the
15 Secretary of the Treasury under section 3717 of title 31
16 per month on the amount of the claim that remains un-
17 paid at the end of the 45-day period specified in such
18 paragraph.

19 “(B) The interest paid pursuant to subparagraph (A)
20 shall be included in any late reimbursement from a third
21 party without requiring the Secretary to make any addi-
22 tional claim for such interest.

23 “(4)(A) Upon receiving a request for additional infor-
24 mation by a third party pursuant to paragraph (1)(C)(ii),
25 the Secretary shall provide the additional information, if

1 determined relevant by the Secretary, not later than 45
2 days after receipt of the request for additional informa-
3 tion.

4 “(B) Failure to furnish relevant information within
5 the time required under subparagraph (A) shall not invali-
6 date or reduce any claim in connection with such informa-
7 tion.

8 “(C)(i) Not later than 15 days after receipt of addi-
9 tional relevant information under subparagraph (A), a
10 third party shall pay a clean claim in accordance with this
11 subsection or send a written or electronic notice that—

12 “(I) such third party refuses to reimburse all or
13 part of the claim; and

14 “(II) specifies each reason for refusal to pay.

15 “(ii) Any third party that fails to comply with clause
16 (i) shall pay interest to the United States on any amount
17 of the claim that remains unpaid at the rate established
18 by the Secretary of the Treasury under section 3717 of
19 title 31.

20 “(5) A third party shall not be entitled to request
21 a refund to correct a payment error to the Department
22 if the request by the third party for such payment correc-
23 tion is submitted more than 18 months after the date that
24 the Department received payment from the third party.

1 “(6) Any claim by the Department under this section
2 shall not be subject to non-Department claims processes,
3 policies, or forms.

4 “(h) The recovery rights of the United States under
5 this section are not limited to the amounts paid to non-
6 Department providers and are not subject to non-Depart-
7 ment fee schedules or non-Department reimbursement
8 rates, including those administered under workers’ com-
9 pensation plans or automobile accident reparations insur-
10 ance.

11 “(i)(1) A third party shall—

12 “(A) determine whether a recipient of care or
13 services covered by this section (including a recipient
14 whose claim is unresolved) has received benefits
15 under this chapter; and

16 “(B) submit the information described in para-
17 graph (2) with respect to the recipient to the Sec-
18 retary in a form and manner (including frequency)
19 specified by the Secretary.

20 “(2) The information required to be submitted under
21 this paragraph with respect to a recipient of care or serv-
22 ices is—

23 “(A) the identity of the recipient; and

24 “(B) such other information as the Secretary
25 shall specify in order to enable the Secretary to

1 make an appropriate determination concerning co-
2 ordination of benefits, including any applicable re-
3 covery claim.

4 “(3) A third party shall submit the information re-
5 quired under paragraph (1)(B) with respect to a recipient
6 of care or services covered by this section (including a re-
7 cipient whose claim is unresolved) not later than 30 days,
8 or such other time period as prescribed by the Secretary,
9 after the date on which the third party knows or has rea-
10 son to know that the recipient has received benefits under
11 this chapter.

12 “(4) A third party shall not distribute proceeds of
13 a settlement, judgment, award, or other payment in con-
14 nection with a recipient of care or services covered by this
15 section (including a recipient whose claim is unresolved),
16 regardless of whether there has been a determination or
17 admission of liability, without satisfaction of a claim by
18 the Department.

19 “(j)(1) A third party that fails to comply with the
20 requirements under this section, including any regulations
21 prescribed to implement this section, with respect to any
22 individual receiving care furnished or paid for by the De-
23 partment as described in this section, shall be subject to
24 a civil penalty in an amount published on a website of
25 the Department for each day of noncompliance with re-

1 spect to each claim violation. A civil penalty under this
2 paragraph shall be in addition to any other penalties pre-
3 scribed by law.

4 “(2)(A) A third party that willfully fails or refuses
5 to pay a clean claim under this section, including any reg-
6 ulations prescribed to implement this section, with respect
7 to any individual receiving care furnished or paid for by
8 the Department as described in this section, shall be sub-
9 ject to paying the higher of triple the amount of the claim
10 or an amount not to exceed \$50,000, which may be ad-
11 justed for inflation, for each claim violation.

12 “(B) A penalty under subparagraph (A) is in addition
13 to any other penalty under this subsection and any other
14 penalty prescribed by law.

15 “(C) Before enforcing any penalty under this para-
16 graph with respect to a third party, the Secretary shall
17 provide to the third party written notice of the amount
18 due and a 30-day opportunity to pay the clean claim, in-
19 cluding penalties, interests, and costs.

20 “(3) Notwithstanding any other applicable civil or
21 criminal remedies, the United States shall have a cause
22 of action for damages (which shall be in an amount double
23 the amount otherwise provided) in the case of a third
24 party that fails to provide payment, or appropriate reim-
25 bursement, for the reasonable value of the care or services

1 furnished, to be furnished, paid for, or to be paid for in
2 accordance with a clean claim.

3 “(k) Notwithstanding any other provision of law, the
4 Secretary may implement this paragraph by prescribing
5 regulations, program instructions, or otherwise.”; and

6 (6) in subsection (m), as redesignated by para-
7 graph (4)—

8 (A) in paragraph (3)—

9 (i) in subparagraph (C), by striking “;
10 or” and inserting a semicolon;

11 (ii) in subparagraph (D), by striking
12 the period at the end and inserting a semi-
13 colon; and

14 (iii) by adding at the end the fol-
15 lowing new subparagraphs:

16 “(E) a person or entity responsible in tort
17 for damages incurred as a result of negligence;
18 or

19 “(F) a person or entity responsible for
20 payment of medical expenses other than under
21 a health-plan contract, including medical ex-
22 penses coverage, medical payments coverage, or
23 underinsured motorist coverage.”; and

24 (B) by adding at the end the following new
25 paragraphs:

1 “(4) The term ‘clean claim’ means a claim to
2 recover or collect reasonable charges under sub-
3 section (a) that can be processed without obtaining
4 additional information.

5 “(5) The term ‘non-service-connected disability’
6 includes—

7 “(A) a non-service-connected disability, in-
8 jury, illness, health care need, or condition; and

9 “(B) an aggravation or exacerbation of a
10 service-connected disability.”.

11 (c) CONFORMING AMENDMENT.—Section
12 1853(c)(1)(D)(iii) of the Social Security Act (42 U.S.C.
13 1395w–23(c)(1)(D)(iii)) is amended by inserting “(before
14 2028)” after “for a year”.

15 **SEC. 7. ALLOWING STATES TO ENFORCE MEDICARE ADVAN-**
16 **TAGE PLAN REQUIREMENTS.**

17 Section 1856(b)(3) of the Social Security Act (42
18 U.S.C. 1395w–26(b)(3)) is amended—

19 (1) by striking “The standards” and inserting
20 the following:

21 “(A) IN GENERAL.—Subject to subpara-
22 graph (B), the standards”; and

23 (2) by adding at the end the following new sub-
24 paragraphs:

1 “(B) STATE ENFORCEMENT.—Each State
2 may require that MA organizations that issue,
3 sell, renew, or offer MA plans in the State meet
4 the requirements of this part with respect to
5 such MA plans.

6 “(C) COORDINATION OF ENFORCEMENT.—
7 The Secretary shall coordinate enforcement of
8 the standards established under this part with
9 the State in which an MA organization is li-
10 censed and any State in which the MA organi-
11 zation issues, sells, renews, or offers MA plans.
12 The Secretary may enter into a collaborative
13 enforcement agreement with any State to fur-
14 ther coordinate enforcement.”.

15 **SEC. 8. PROVIDER INCENTIVE CONTRACTS.**

16 Section 1857(e) of the Social Security Act (42 U.S.C.
17 1395w-27(e)) is amended by adding at the end the fol-
18 lowing new paragraph:

19 “(7) PROHIBITING PERCENTAGE OF PREMIUM
20 CONTRACTS OR OTHER FINANCIAL INCENTIVES FOR
21 CODING.—Beginning with plan years beginning on
22 or after January 1, 2028, a contract under this sec-
23 tion with an MA organization shall prohibit the use
24 of percentage of premium contracts or other finan-

- 1 cial incentives for providers related to coding items
- 2 and services furnished to enrollees under this part.”.