



## **H.R. 8883, *Protecting Seniors and Stopping Fraudsters Act*** Rep. Van Duyne (R-TX)

### **Background:**

- Hospices and home health agencies (HHAs) are **prime targets for fraud**; inspections performed by third-party Accrediting Organizations (AO) have **failed to identify and stop such fraud**.
- **10% of all Medicare improper payments** result from hospice providers and HHAs.
- Sham hospices are trapping non-terminal patients in hospice care—at some hospices, as many as **97% of patients are discharged alive**—preventing them from getting treatments.
- There is an estimated **\$3.5 billion in hospice/HHA fraud in Los Angeles (LA) County** alone.
  - From January 2019-June 2023, **the number of HHAs in the U.S. decreased 6%**. During the same time, **the number of HHAs in LA County increased 46%**.
  - More than **1,400 LA County HHAs – 50% of all California HHAs** – are newly enrolled in Medicare in **just the last five years**.
- Vice President Vance’s **Task Force to Eliminate Fraud** is crushing fraud through major law enforcement actions, especially targeted at **transnational criminal gangs**.
  - Operation *Never Say Die* charged 15 individuals in hospice fraud schemes totaling **\$60 million across California**.
  - **Eight LA defendants**, including nurses, were arrested on charges of scheming to defraud taxpayers out of **more than \$50 million**.
    - One fraudulent hospice had an **85% live discharge rate, 5X the average**.
  - A California man was sentenced to **12 years in prison** for defrauding Medicare of **nearly \$20 million** through a sham hospice.
- In April 2026, the Ways & Means Committee held a hearing to examine the rise in Medicare fraud, especially in the **hospice and home health benefit**.
- In May 2026, CMS announced **6-month nationwide moratoria** on new hospices and HHAs.

### **H.R. 8883, *Protecting Seniors and Stopping Fraudsters Act*:**

- **Cracks down on hospice and home health fraud** through **stricter enrollment scrutiny, more frequent inspections, higher noncompliance penalties, and enhanced surveyor oversight**.
  - Requires **revalidation of hospices at risk of fraud and annual inspections of hospices and HHAs that are newly enrolled or changed owners** – an increase from every three years.
  - **Triples penalties** for hospices and HHAs that fail to submit quality data – a red flag for providers that **are not providing any legitimate services**.
  - **Increases scrutiny and holds accountable AOs** for their inspections of hospices and HHAs.
- **Protects patients** by requiring CMS to send seniors notification upon hospice enrollment and **mandates clear directions** on how to quickly disenroll.