

118TH CONGRESS
2D SESSION

H. R. 8113

To amend title XIX of the Social Security Act to require reporting on certain directed payments under the Medicaid program.

IN THE HOUSE OF REPRESENTATIVES

APRIL 23, 2024

Mr. GRIFFITH introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend title XIX of the Social Security Act to require reporting on certain directed payments under the Medicaid program.

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 “Transparency into
5 State Directed Payments Act of 2024”.

6 **SEC. 2. STATE DIRECTED PAYMENT REPORTING REQUIRE-**
7 **MENTS.**

8 Section 1903 of the Social Security Act (42 U.S.C.
9 1396b) is amended by adding at the end the following new
10 subsection:

1 “(cc) STATE DIRECTED PAYMENT REPORTING RE-
2 QUIREMENTS.—

3 “(1) COLLECTION AND AVAILABILITY OF DI-
4 RECTED PAYMENT DATA.—

5 “(A) IN GENERAL.—Not later than Janu-
6 ary 1, 2026, the Secretary shall establish a sys-
7 tem for each State to submit a report, at inter-
8 vals as determined appropriate by the Sec-
9 retary, on directed payment data, as a require-
10 ment for a State plan or a State plan amend-
11 ment that would provide for a directed payment
12 arrangement.

13 “(B) REQUIREMENTS.—Each report sub-
14 mitted by a State in accordance with the re-
15 quirement established under subparagraph (A)
16 shall include the following:

17 “(i) An explanation of how directed
18 payments made under the State plan or a
19 State plan amendment will result in pay-
20 ments that are consistent with section
21 1902(a)(30)(A), including standards with
22 respect to efficiency, economy, quality of
23 care, and access, along with the stated
24 purpose and intended effects of the di-
25 rected payment.

1 “(ii) The criteria used to determine
2 which providers are eligible to receive the
3 directed payment.

4 “(iii) A comprehensive description of
5 the methodology used to calculate the
6 amount of, and distribute, the directed
7 payment to each eligible provider, includ-
8 ing—

9 “(I) data on the amount of the
10 directed payment made to each eligi-
11 ble provider, if known, or, if the total
12 amount is distributed using a formula
13 based on data from 1 or more fiscal
14 years, data on the total amount of the
15 directed payments for the fiscal year
16 or years available to all providers eli-
17 gible to receive a directed payment;

18 “(II) if applicable, the specific
19 criteria with respect to Medicaid serv-
20 ice, utilization, or cost data to be used
21 as the basis for calculations regarding
22 the amount or distribution of the di-
23 rected payment; and

1 “(III) the timing of the directed
2 payment made to each eligible pro-
3 vider.

4 “(iv) An analysis of how total Med-
5 icaid payments made to an eligible pro-
6 vider, including the directed payment, com-
7 pare relative to the upper payment limit
8 for such provider and the average commer-
9 cial rate for the services to which the pay-
10 ment relates.

11 “(v) The net payment rate to a pro-
12 vider receiving a directed payment that is
13 inclusive of base payment rates, supple-
14 mental payments (as defined in subsection
15 (bb)), and any such directed payments.

16 “(C) PUBLIC AVAILABILITY.—The Sec-
17 retary shall make all reports and related data
18 submitted under this paragraph publicly avail-
19 able on the website of the Centers for Medicare
20 & Medicaid Services on a timely basis.

21 “(2) DEFINITIONS.—In this subsection:

22 “(A) DIRECTED PAYMENT ARRANGE-
23 MENT.—The term ‘directed payment arrange-
24 ment’ means a contract arrangement between a
25 State and a managed care organization, prepaid

1 ambulatory health plan, or prepaid inpatient
2 health plan that directs the expenditures of
3 such managed care organization, prepaid ambu-
4 latory health plan, or prepaid inpatient health
5 plan in a manner allowable under section 438.6
6 of title 42, Code of Federal Regulations (or any
7 successor regulation).

8 “(B) DIRECTED PAYMENT.—The term ‘di-
9 rected payment’ means a payment to a provider
10 made pursuant to a directed payment arrange-
11 ment.

12 “(C) PREPAID AMBULATORY HEALTH
13 PLAN; PREPAID INPATIENT HEALTH PLAN.—
14 The terms ‘prepaid ambulatory health plan’ and
15 ‘prepaid inpatient health plan’ have the mean-
16 ing given each such term in section 438.2 of
17 title 42, Code of Federal Regulations (or any
18 successor regulation).”.

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