March 25, 2026

The Honorable Dr. Mehmet Oz
Administrator
Centers for Medicare & Medicaid Services
U.S. Department of Health and Human Services
7500 Security Boulevard
Baltimore, MD 21244

Re: Hospice and Home Health Program Integrity: Recommendations from the National Alliance for Care at Home, LeadingAge, LeadingAge California, and the California Association for Health Services at Home

Dear Administrator Oz:

We write on behalf of the National Alliance for Care at Home (the Alliance), LeadingAge, LeadingAge California, and the California Association for Health Services at Home (CAHSAH), collectively representing over 1,500 hospice and home health providers with over 10,000 locations serving Medicare beneficiaries across the country, including tens of thousands of patients and families in California. Our members have built their reputations and their organizations on a commitment to compassionate, high-quality care. We share fully the Administration's commitment to protecting Medicare beneficiaries, preserving the integrity of the hospice and home health benefits, and rooting out the fraudulent actors who have exploited these programs and harmed patients and families.

Home Health and Hospice Fraud

Recent national media coverage and federal enforcement actions have rightly focused attention on a serious fraud crisis in the Medicare hospice and home health programs, concentrated overwhelmingly in Los Angeles County and the surrounding Southern California region. It is critical to underscore, however, that this crisis is the result of a subset of bad actors exploiting regulatory gaps, and not a failure of the hospice or home health models of care. The overwhelming majority of providers serve their communities with integrity. Any federal response must be carefully targeted to protect patients and preserve access to high-quality care from providers who have earned the trust of the families they serve.

Medicare home health and hospice fraud has historically been concentrated in geographic hot spots, prompting the Centers for Medicare & Medicaid Services (CMS), and its predecessor agency the Health Care Financing Administration (HCFA), to deploy targeted interventions since the mid-1990s, beginning with Operation Restore Trust in California, Florida, Illinois, New York, and Texas. More recently, CMS imposed home health enrollment moratoria in Florida, Illinois, Michigan, and Texas from 2013 through 2019, launched the Home Health Review Choice Demonstration (RCD) requiring prepayment reviews in 2019, and currently operates RCD in Florida, Illinois, North Carolina, Ohio, Oklahoma, and Texas. The Alliance and LeadingAge have highlighted that rapid agency enrollment surges and aberrant billing patterns in Los Angeles County are distorting CMS home health rate-setting calculations and are highly

indicative of fraudulent activity.[1,2] In the March 2026 Medicare Payment Advisory Commission Report to Congress, these concerns were echoed by independent research conducted by staff on the growth of home health agencies in Los Angeles County.[3]

Similar concerns exist in hospice care, where Arizona, California, Nevada, and Texas have become fraud hot spots. In late 2021 the California legislature passed a general moratorium on licensing new hospice agencies beginning January 1, 2022 that will last until at least January 1, 2027 while the state works to put new regulations in place. In late 2022, the California State Auditor issued a report regarding large-scale hospice fraud and abuse, concentrated in Los Angeles and often involving home health agencies.[4] In early 2023, the Alliance (through its legacy associations) and LeadingAge collaborated on 34 recommendations to policy makers to confront hospice fraud.[5,6] The Alliance and LeadingAge submitted recommendations for further improving home health and hospice program integrity in December of 2025,[7] and the Alliance and LeadingAge participated in hospice and home health roundtables hosted by CMS in Los Angeles, California in January 2026.

Targeting Audit Resources

To date, CMS has responded to hospice fraud concerns with enhanced site visits in high-risk areas, provisional periods of enhanced oversight (PPEO) and enhanced prepayment medical reviews in high-risk areas, new hospice physician enrollment requirements, and heightened screening for newly enrolling hospices. We support this multi-faceted approach, as well as increased audit attention to providers with indicators of fraudulent activity. Compliant providers report being identified for audits while bad actors escape scrutiny, which adds enormous administrative burden with insignificant audit findings. As noted by CMS Deputy Administrator and Chief Operating Officer Kim Brandt, CMS is focusing "audits to high-risk areas rather than burdening all providers with unnecessary oversight. A risk-based strategy improves efficiency and reduces administrative burden on compliant providers and enables CMS to intervene earlier, providing stronger protection for beneficiaries and taxpayer dollars."[8] We strongly support the significant program integrity actions that CMS has taken in response to this crisis, and we encourage the agency to expand and sharpen those efforts where appropriate while preserving access to reasonable and necessary care.

Enhanced Site Visits

We applaud CMS's expansion and enhancement of site visits, which put more federal presence on the ground in high-risk areas and create meaningful accountability at the point of enrollment and afterwards. Increased boots-on-the-ground oversight is one of the most effective deterrents to fraudulent enrollment,

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[1] https://allianceforcareathome.org/wp-content/uploads/Alliance-CY-2026-Home-Health-NPRM-Comment-FINAL.pdf
[2] https://leadingage.org/wp-content/uploads/2025/08/LeadingAge-CY2026HomeHealthProposedRuleCommentLetter-8.28.25.pdf
[3] https://www.medpac.gov/wp-content/uploads/2026/03/Mar26_Ch8_MedPAC_Report_To_Congress_SEC.pdf
[4] https://information.auditor.ca.gov/reports/2021-123/index.html
[5] https://www.newyorker.com/magazine/2022/12/05/how-hospice-became-a-for-profit-hustle
[6] https://leadingage.org/leadingage-provides-hospice-program-integrity-recommendations-to-congress-and-cms/
[7] https://allianceforcareathome.org/wp-content/uploads/Final-Alliance-and-LeadingAge-Home-Health-and-Hospice-Program-Integrity-Recommendations.pdf
[8] https://d1dth6e84htgma.cloudfront.net/03_17_2026_OI_Hearing_Witness_Testimony_Brandt_27650dea5c.pdf

and we encourage CMS to continue and expand these efforts in California and other high-risk markets. During the COVID-19 Public Health Emergency (PHE), there was a large influx of new hospices and HHAs in Los Angeles County (see Appendix), likely resulting from a number of enrollment flexibilities put in place by CMS during the pandemic (e.g., fast tracking enrollments, suspension of site visits, suspension of fingerprinting requirements, postponing revalidations, etc.).

According to CMS, the enhanced site visits have had tremendous success in the hospice space – helping to shut down fraud, while ensuring legitimate hospices can continue to do the right thing.[9] As a result of enhanced site visits, 48 hospices have had their Medicare enrollment revoked, 478 hospices have had their billing privileges deactivated, and 318 hospices update their practice locations to reflect address changes.[10] We encourage CMS to apply similar enhanced site visit protocols to home health agencies in the Los Angeles area and other areas where the data demonstrate comparable fraud risk.

Provisional Period of Enhanced Oversight and Enhanced Prepayment Reviews

We support the use of the Provisional Period of Enhanced Oversight (PPEO) and Enhanced Prepayment Reviews (EPR) as targeted tools to identify and address fraudulent billing before funds are improperly paid and the expansion of those efforts to home health agencies in the Los Angeles area and elsewhere for both home health and hospice when warranted. CMS reports that through December 2025, 817 hospices have been subject to medical review and CMS revoked Medicare enrollment for 181 of these hospices.[11] CMS feels confident enough in this tool's effectiveness that they have expanded the PPEO to Georgia and Ohio.

We do, however, wish to note several important refinements that would improve the effectiveness and fairness of these programs. The goal of these tools must be clearly and consistently framed around catching fraud, not reducing the number of providers, whether fraudulent or not. Compliant providers, often longstanding participants in the Medicare program, who undergo a change of ownership should not face enhanced burdens designed for bad actors. We encourage CMS to better target these tools using a risk-based approach focused on new providers and recent entrants, billing patterns, referral relationships, ownership structures, and other fraud indicators that would allow CMS to focus its resources where they are most needed and reduce the burden on compliant providers.

We have received reports of a lack of transparency, timely information, and issues with due process from at least one Medicare Administrative Contractor (MAC) involved in these reviews, National Government Services (NGS), to be called Wellpoint Federal as of 4/1/2026, which operates in California. Providers subject to enhanced oversight deserve clear communication, a way to ask questions or get accurate information about their PPEO status, including the basis for review, timelines, and pathways to resolution, and appropriate due process. We urge CMS to establish consistent, transparent standards for all contractors conducting PPEO and EPR activities.

Hospice Beneficiary Notifications and Rapid Hospice Disenrollments

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[9] https://insidehealthpolicy.com/daily-news/lawmakers-cms-aim-mitigate-medicare-hospice-fraud?utm_medium=ihpbn
[10] Testimony of Kim Brandt, CMS Deputy Administrator and COO, on March 17th to House Committee on Energy and Commerce, Subcommittee on Oversights and Investigations.
[11] Ibid.

We strongly support the beneficiary notification and rapid disenrollment protections CMS has piloted in Nevada and expanded into California in response to questionable hospice elections. Ensuring that patients and families have clear, timely information about their hospice enrollment, with a fast pathway to correct errors or reverse inappropriate elections, is an essential safeguard. These are exactly the kinds of front-end, patient-centered protections that can prevent harm before it occurs and restore public trust in the hospice benefit. We ask that CMS provide transparency into how many beneficiary notifications thus far have resulted in identification of fraudulent hospices, the timeframes for beneficiary disenrollment from a fraudulent hospice election, and what actions were taken with those hospices by state. We believe that if this has been a successful pilot and if the CMS infrastructure can handle the increased volume of calls and emails, we would encourage CMS to expand the effort to other PPEO states and eventually, nationwide as a beneficiary protection.

Additional Program Integrity Recommendations

Beyond the actions already underway, we encourage CMS to pursue additional actions in areas at high risk for fraud in home health and hospice. We encourage CMS to partner with state licensing agencies to provide additional review and scrutiny for an applicant for state licensure before enrollment in Medicare is even an option. As Vice President Vance commented during the press conference announcing the Fraud, Waste, and Abuse Task Force (February 26, 2026), working with the states is an important part of the operation and priority of the task force.[12]

Next, the enrollment process is the most logical and cost-effective point at which to prevent fraudulent providers from entering the program. CMS should closely evaluate how the MACs are reviewing and approving applications and consider requiring additional documentation to substantiate the enrollment application. We note that the HHS Office of Inspector General (OIG) has an active project examining enrollment requirements for newly enrolled hospices.[13] We encourage CMS to engage closely with that effort and to use its findings to identify and close enrollment process vulnerabilities that fraudulent actors have exploited in hospice, home health, and other areas of Medicare.

Both MACs and accrediting organizations (AOs) play a critical gatekeeping role in the provider enrollment and oversight system. We are aware that a final rule related to AO oversight is pending at OMB, and we encourage CMS to finalize and implement that rule expeditiously. More broadly, CMS should establish robust performance standards and increase accountability mechanisms for contractors operating in high-risk markets. Additionally, CMS should substantially increase Direct Observation Validation (DOV) surveys in high-risk markets. Where AOs have approved new providers, CMS should conduct a significantly higher rate of re-review surveys to independently verify compliance. Additional scrutiny at some point in the process could also include confirming the address of the applicant, including suite number, to determine the number of hospices co-locating at the address, as well as checking the phone number both during office hours and after hours. This is especially important in California, where the extraordinary concentration of providers strains the capacity of any single oversight mechanism.

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[12] https://www.whitehouse.gov/presidential-actions/2026/03/establishing-the-task-force-to-eliminate-fraud/
[13] https://oig.hhs.gov/reports/work-plan/browse-work-plan-projects/trends-and-patterns-in-data-related-to-newly-enrolled-hospice-providers/

We recognize that CMS has clear statutory authority under section 1866(j)(7) of the Social Security Act to impose temporary enrollment moratoria in geographic areas where there is significant potential for fraud, waste, or abuse. We are aware that other organizations have urged CMS to impose a statewide California enrollment moratorium on new home health agencies and hospice providers, and we understand the urgency underlying that request. We have heard that there are often symbiotic relationships, particularly in the Los Angeles area, between hospices and home health agencies and actions taken should address both provider types. In 2023, a year after the hospice licensure moratorium went into effect in California, there was a substantial decrease in new hospice certifications, however, conversely there was a substantial increase in the number of new HHA certifications (see Appendix). Our organizations are not categorically opposed to the targeted use of CMS's moratorium authority as one element of a broader program integrity response. However, the historical record of enrollment moratoria in high-fraud home health markets has produced mixed results. We urge CMS to approach any moratorium decision with a careful analysis of likely effectiveness, potential unintended consequences for access to care, and the availability of other tools that may be better calibrated to the problem.

We also want to express concern about the impact of a statewide moratorium on the ability of hospices to complete required hospice face-to-face encounters via telehealth in California. As outlined in the Consolidated Appropriations Act 2026, Section 6209 (f)(1)(B), the ability for a hospice to complete the face-to-face encounter via telehealth does not apply if an "individual [beneficiary] is located in an area that is subject to a moratorium on the enrollment of hospice programs under this title pursuant to section 1866(j)(7)." Hospice providers in California, both urban and rural, are depending on telehealth flexibility for completing the required hospice face-to-face encounter. This is especially helpful with physician and nurse practitioner shortages and those areas with extensive drive times that make it difficult to make in-person visits often under very short regulatory timeframes, many of which have not experienced the same rapid growth in hospices as southern California.

CRUSH RFI and New Task Force to Eliminate Fraud

We wish to note that our organizations are actively developing a comprehensive set of additional recommendations in response to the Administration's Request for Information (RFI) Related to Comprehensive Regulations To Uncover Suspicious Healthcare (CRUSH).[14] We will be providing those recommendations through that process and look forward to a more detailed dialogue with CMS about the full range of structural, regulatory, and legislative options available to address these issues on a durable basis.

Finally, we want to express our genuine optimism about the Administration's commitment to bringing a whole-of-government approach to this problem. The coordination among CMS, the Department of Justice, The Department of the Treasury, the HHS OIG, law enforcement, and the states that appears to be taking shape is exactly what this crisis demands. Fraud in Medicare's home health and hospice programs cannot be addressed by any single agency acting alone; it requires the sustained, coordinated application of every available enforcement and program integrity tool. We are encouraged by the direction the Administration is taking, and we stand ready to support that work in every way we can.

[14] https://www.federalregister.gov/documents/2026/02/27/2026-03968/request-for-information-rfi-related-to-comprehensive-regulations-to-uncover-suspicious-healthcare

As noted previously, we support CMS's efforts to address fraud and protect the integrity of the home health and hospice benefits; however, we note that the scale and visibility of these important actions may have unintended ripple effects for high-quality, compliant providers and the patients they serve. Physicians and practitioners may become more cautious about making home health and hospice referrals, given increased scrutiny and administrative complexity. At the same time, families, many of whom already approach hospice with understandable hesitation, may become more reluctant after exposure to messaging about fraudulent actors, making timely access to appropriate care more challenging. These dynamics can make sensitive conversations more difficult and add operational strain. We respectfully encourage CMS to continue pairing its strong enforcement efforts with clear, balanced communications that reinforce confidence in the vast majority of home health agencies and hospices who deliver compassionate, compliant care.

Thank you for your leadership, your commitment to protecting Medicare beneficiaries, and your willingness to engage with providers and advocates on these difficult structural challenges. We look forward to continued dialogue and collaboration as CMS develops and implements the additional program integrity measures that this crisis demands.

Respectfully submitted,

National Alliance for Care at Home

LeadingAge

LeadingAge California

California Association for Health Services at Home (CAHSAH)

Appendix: New Hospice and Home Health Providers in California 2018-2025

New Medicare-Certified Home Health Agencies and Hospices, 2018-2025

Initial Certification Year	Los Angeles County		California		United States	
	Hospices	*HHAs*	*Hospices*	*HHAs*	*Hospices*	*HHAs*
2018	78	83	126	119	290	293
2019	85	72	140	185	317	340
2020	208	120	292	265	491	482
2021	430	136	609	344	910	618
2022	447	144	546	303	941	610
2023	100	302	142	381	449	631
2024	29	127	44	295	278	585
2025	7	42	18	307	161	527

Source: CMS Provider of Services File, Q4 of 2025, Accessed on March 23, 2026 at: https://data.cms.gov/provider-characteristics/hospitals-and-other-facilities/provider-of-services-file-internet-quality-improvement-and-evaluation-system

Terminated Medicare-Certified Home Health Agencies and Hospices, 2018-2025

Termination Date	Los Angeles County		California		United States	
	Hospices	*HHAs*	*Hospices*	*HHAs*	*Hospices*	*HHAs*
2018	18	14	26	26	115	504
2019	46	29	57	43	156	507
2020	17	18	27	32	104	355
2021	28	28	36	36	92	355
2022	49	33	64	53	138	384
2023	135	41	176	55	322	351
2024	151	63	197	91	329	367
2025	182	41	239	64	372	239

Source: CMS Provider of Services File, Q4 of 2025, Accessed on March 23, 2026 at: https://data.cms.gov/provider-characteristics/hospitals-and-other-facilities/provider-of-services-file-internet-quality-improvement-and-evaluation-system