

REVISED

AGN. NO. _____

MOTION BY SUPERVISORS LINDSEY P. HORVATH

April 7, 2026

AND KATHRYN BARGER

Combating Home Health and Hospice Fraud in Los Angeles County

In recent years, instances of fraudulent practices among home health and hospice providers have increased, as some operators have engaged in unscrupulous practices such as documenting care that was not provided and enrolling patients under stolen identities. These crimes are putting the most vulnerable in our community in jeopardy and undermining public confidence in services that are an important and necessary part of the healthcare industry.

There are 3,170 home health and 1,623 hospice agencies located in Los Angeles County. Historically these businesses have been concentrated in Glendale and Burbank, but of late there has been a significant increase in the number of operations located in the Van Nuys area of Los Angeles County (County).

All home health and hospice providers must be licensed to provide care by the State of California. The Department of Public Health’s Health Facilities Inspection Division (HFID) is contracted by the California Department of Public Health (CDPH) to conduct licensing and certification work in the County on behalf of the State. This includes conducting inspections on behalf of both the State and the U.S. Centers for Medicare and

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Medicaid Services (CMS) related to home health/hospice operations, including investigation of fraud allegations.

Under federal law, home health and hospice agencies can elect to be “deemed” by a private accrediting organization to meet the CMS approved accrediting organizational standards. Deemed status allows providers to be surveyed by private accrediting entities, rather than CMS, for surveys to confirm their compliance with federal statutory requirements. Over 60 percent of the home health and hospice agencies operating in the County have federal deemed status, and fall outside the direct oversight by HFID for both complaint investigations and ongoing certification for compliance with CMS requirements. HFID does not perform these recertification reviews.

While HFID retains control over the investigation in complaints against non-deemed agencies, the investigation of complaints about a deemed provider must be referred to CMS to obtain authorization to conduct a complaint validation survey. If fraud is confirmed in a CMS-approved survey, the federal government then takes over any further investigation and enforcement efforts, and no further information is provided to HFID about the outcome of the case.

The County has been an active participant in the State’s Hospice Fraud Task Force, which includes CDPH, the State Department of Justice and other State departments that review pending investigations and findings of fraud among home health and hospice agencies. However, greater coordination is needed to address the concerns of fraud in the home health and hospice industry. It is essential to ensure the safety and well-being for the most fragile in the community by calling on the federal and State governments to enhance their enforcement in this area.

WE, THEREFORE, MOVE that the Board of Supervisors:

1. Direct the Department of Public Health (DPH) to report back in writing in 60 days on recommendations to improve coordination of the federal and State governments' investigation and enforcement against fraud in the home health and hospice industries with DPH's Health Facilities Inspection Division's contracted enforcement activities.
2. Direct the Chief Executive Office's Legislative Affairs and Intergovernmental Relations branch to send a five-signature letter to the Director of the California Department of Public Health and the Administrator of the U.S. Centers for Medicare and Medicaid Services, urging greater coordination and investment in enforcement of home health and hospice providers and strengthened regulatory oversight for accrediting bodies in their role overseeing deemed hospice and home health entities.

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