

**[DISCUSSION DRAFT]**

119<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R.** \_\_\_\_\_

To amend title XI of the Social Security Act to require mandatory reporting with respect to certain health-related ownership information.

---

IN THE HOUSE OF REPRESENTATIVES

M. \_\_\_\_\_ introduced the following bill; which was referred to the Committee on \_\_\_\_\_

---

**A BILL**

To amend title XI of the Social Security Act to require mandatory reporting with respect to certain health-related ownership information.

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 “\_\_\_\_\_ Act  
5 of 2026”.

1 **SEC. 2. MANDATORY REPORTING WITH RESPECT TO CER-**  
2 **TAIN HEALTH-RELATED OWNERSHIP INFOR-**  
3 **MATION.**

4 Part A of title XI of the Social Security Act (42  
5 U.S.C. 1301 et seq.) is amended by adding at the end  
6 the following new section:

7 **“SEC. 1150D. MANDATORY REPORTING WITH RESPECT TO**  
8 **CERTAIN HEALTH-RELATED OWNERSHIP IN-**  
9 **FORMATION.**

10 **“(a) MANDATORY REPORTING WITH RESPECT CER-**  
11 **TAIN HEALTH-RELATED OWNERSHIP INFORMATION.—**

12 **“(1) INITIAL REPORT.—**Not later than January  
13 1, 2027 (or in the case of a specified entity formed  
14 after January 1, 2027, within 60 days of becoming  
15 a specified entity), each specified entity (as defined  
16 in subsection (g)(5)) shall submit to the Secretary,  
17 in a form and manner specified by the Secretary, a  
18 report containing the following information:

19 **“(A)** The business structure of the speci-  
20 fied entity, including the business type and the  
21 tax status of such entity.

22 **“(B)** Data on mergers, acquisitions, and  
23 changes in ownership with respect to such spec-  
24 ified entity for the previous 1-year period.

1           “(C) In the case that a specified entity is,  
2           or includes, a hospital, the additional informa-  
3           tion described in subsection (b).

4           “(D) As applicable, the name, address, and  
5           business structure of the parent company of  
6           such specified entity (including the tax status of  
7           such parent company), and the name, address,  
8           and business structure of any beneficial owners  
9           of the parent company of such specified entity  
10          (including the tax status of such beneficial  
11          owner) who control (or own a controlling inter-  
12          est in) the parent company, as of the date of  
13          the submission of this report.

14          “(E) Any other information with respect to  
15          ownership of a specified entity, as determined  
16          by the Secretary.

17          “(2) SUBSEQUENT REPORTS.—Not later than 1  
18          year after submitting the report under paragraph  
19          (1), and annually thereafter, each specified entity  
20          shall submit to the Secretary an updated report, in-  
21          cluding—

22                 “(A)(i) data on mergers, acquisitions, and  
23                 changes in ownership with respect to such enti-  
24                 ties for the previous 1-year period; and

1           “(ii) any other information with respect to  
2           ownership of a specified entity, as determined  
3           by the Secretary; and

4           “(B) in the case that a specified entity is,  
5           or includes, a hospital, the additional informa-  
6           tion described in subsection (b).

7           “(b) ADDITIONAL INFORMATION SUBMITTED BY  
8           CERTAIN SPECIFIED ENTITIES.—For purposes of para-  
9           graphs (1)(C) and (2)(B) of subsection (a), with respect  
10          to a specified entity that is, or includes, a hospital, the  
11          information described in this subsection is the following  
12          information with respect to the previous 1-year period:

13           “(1) The average debt-to-earnings ratio of the  
14          specified entity.

15           “(2) The average amount of debt incurred—

16           “(A) by the hospital; and

17           “(B) by the entire specified entity.

18           “(3) Information with respect to real estate  
19          leases and purchases for property used, or intended  
20          to be used, to furnish or otherwise support the provi-  
21          sion of health care services.

22           “(4) In the case of a non-profit hospital, a sub-  
23          sidiary of a non-profit hospital, or a 501(c)(3) entity  
24          that shares common ownership with a non-profit  
25          hospital, capital gains investments (disaggregated by

1 the type of investment) and any taxes paid on such  
2 gains from such investments.

3 “(5) As applicable, information with respect to  
4 the parent company of such specified entity.

5 “(c) PUBLIC REPORTING.—

6 “(1) IN GENERAL.—Not later than January 1,  
7 2029, and annually thereafter, the Secretary shall  
8 post on a publicly available website of the Depart-  
9 ment of Health and Human Services a report with  
10 respect to the previous 1-year period, including—

11 “(A) the number of specified entities re-  
12 porting for such year, disaggregated by the  
13 business structure of each specified entity in ac-  
14 cordance with paragraph (2);

15 “(B) the number of owners of each speci-  
16 fied entity;

17 “(C) any change in ownership for each  
18 specified entity;

19 “(D) any change in the tax status of a  
20 specified entity;

21 “(E) an analysis of trends in horizontal  
22 and vertical consolidation, disaggregated by  
23 business structure and provider type; and

24 “(F) as applicable, the name, address, and  
25 business structure of the parent company of

1           such specified entity (including the business  
2           type and the tax status of such parent com-  
3           pany).

4           “(2) DISAGGREGATION.—In disaggregating the  
5           business structure of a specified entity under para-  
6           graph (1)(A), or a parent company under subpara-  
7           graph (F) of such paragraph, the Secretary shall use  
8           the following business structures, if applicable, and  
9           identify such structures as privately held or publicly  
10          traded:

11                   “(A) Hospitals.

12                   “(B) Health plans.

13                   “(C) Private equity funds.

14                   “(D) Venture capital funds.

15                   “(E) Unincorporated business entities.

16                   “(F) S-corporations.

17                   “(G) Real estate investment trusts.

18                   “(H) Hedge funds.

19                   “(I) Exchange-traded funds.

20                   “(J) Sovereign wealth funds.

21                   “(K) Public pension fund direct ownership  
22          investments.

23                   “(L) Physician-owned practices with non-  
24          physician minority owners.

1                   “(M) Other business structures as identi-  
2                   fied by the Secretary.

3           “(d) AUDITS.—The Secretary shall conduct an an-  
4 nual audit consisting of a random sample of specified enti-  
5 ties to verify compliance with the requirements of this sec-  
6 tion and the accuracy of information submitted pursuant  
7 to this section.

8           “(e) PENALTY FOR FAILURE TO REPORT.—If a spec-  
9 ified entity fails to provide a complete report under sub-  
10 section (a), or submits a report containing false informa-  
11 tion, such entity shall be subject to a civil monetary pen-  
12 alty of—

13                   “(1) in the case of a specified entity that is a  
14 hospital with more than 30 beds, not more than  
15 \$5,000,000 for each such report not provided or  
16 containing false information; and

17                   “(2) in the case of all other specified entities,  
18 not more than \$2,000,000 for each such report not  
19 provided or containing false information.

20 Such penalties shall be imposed and collected in the same  
21 manner as civil money penalties under subsection (a) of  
22 section 1128A are imposed and collected under that sec-  
23 tion.

24           “(f) INAPPLICABILITY OF PAPERWORK REDUCTION  
25 ACT.—Chapter 35 of title 44, United States Code, shall

1 not apply to collections of information made under this  
2 section.

3 “(g) DEFINITIONS.—In this section:

4 “(1) HEALTH PLAN.—The term ‘health plan’  
5 has the meaning given such term in section  
6 1128C(c).

7 “(2) HOSPITAL.—The term ‘hospital’ has the  
8 meaning given such term in section 1861(e).

9 “(3) INDEPENDENT FREESTANDING EMER-  
10 GENCY DEPARTMENT.—The term ‘independent free-  
11 standing emergency department’ has the meaning  
12 given such term in section 2799A–1(a)(3)(D) of the  
13 Public Health Service Act.

14 “(4) PRIVATE EQUITY FUND.—The term ‘pri-  
15 vate equity fund’ has the meaning given such term  
16 in section 279.9 of title 17, Code of Federal Regula-  
17 tions.

18 “(5) SPECIFIED ENTITY.—The term ‘specified  
19 entity’ means—

20 “(A) a hospital;

21 “(B) a physician-owned physician practice  
22 with more than 25 physicians for a year;

23 “(C) a physician practice owned by any en-  
24 tity described in paragraph (2) of subsection  
25 (c);

1           “(D) an ambulatory surgical center meet-  
2           ing the standards specified under section  
3           1832(a)(2)(F)(i); or

4           “(E) an independent freestanding emer-  
5           gency department.

6           “(6) VENTURE CAPITAL FUND.—The term ‘ven-  
7           ture capital fund’ has the meaning given such term  
8           in section 275.203(l)–1 of title 17, Code of Federal  
9           Regulations.”.