

## **The Fraud Risk Assessment of Obamacare Subsidies Accountability Act**

**Issue:** Despite warnings from the Government Accountability Office (GAO), the Centers for Medicare and Medicaid Services (CMS) last issued a comprehensive fraud risk assessment of Obamacare subsidies in 2018. The fraud assessment should be updated more regularly considering the fraud, waste and abuse in the program. GAO recommends as a best practice to update the fraud assessment plan more regularly.

### **The December 2025 GAO report found:**

- “CMS conducted a fraud risk assessment for APTC in November 2018 in response to a GAO recommendation. However, CMS has not updated its fraud risk assessment for APTC since then despite changes to the program. CMS’s 2018 assessment acknowledged that fraud risks in APTC are continually evolving. In addition to evolving fraud risks, program changes affect the likelihood and impact of fraud risks in the program, as well as the controls the agency uses to mitigate those risks.”
- “CMS officials told us that the agency paused certain antifraud controls since the 2018 fraud risk assessment.”
- “Leading practices in fraud risk management call for planning regular fraud risk assessments that are tailored to programs. For example, leading practices include planning to conduct fraud risk assessments at regular intervals. They also call for assessments when there are changes to the program or operating environment, as assessing fraud risks is an iterative process.”
- “As part of our ongoing work, CMS officials informed us that the agency plans to update its fraud risk assessment for APTC by the end of calendar year 2025. We will continue to monitor CMS’s efforts to complete this assessment.”
- “Although our work is ongoing, preliminary results suggest that CMS’s 2018 fraud risk assessment for APTC may not fully align with leading practices in GAO’s Fraud Risk Framework. Such weaknesses may hinder CMS’s ability to effectively and proactively manage fraud risks in this program.”

**Solution:** The *Fraud Risk Assessment of Obamacare Subsidies Accountability Act* will require CMS to immediately update its fraud risk assessment of Obamacare subsidies in accordance with industry’s best practices. The fraud risk assessment will be required to be updated annually, and CMS will be required to report to Congress and the Department of Health and Human Services (HHS) Inspector General about its fraud risk assessment and what anti-fraud practices are being utilized.