SEC. 207. CLARIFYING AUTHORITY OF STATE MEDICAID FRAUD AND ABUSE CONTROL UNITS TO INVESTIGATE AND PROSECUTE CASES OF MEDICAID PATIENT ABUSE AND NEGLECT IN ANY SETTING.

(a) IN GENERAL.—Section 1903(q)(4)(A)(ii) of the Social Security Act (42 U.S.C. 1396b(q)(4)(A)(ii)) is amended by inserting after “patients residing in board and care facilities” the following: “and of patients (who are receiving medical assistance under the State plan under this title (or waiver of such plan)) in a noninstitutional or other setting”.

(b) AVAILABILITY OF FUNDING.—Section 1903(a)(6) of the Social Security Act (42 U.S.C. 1396b(a)(6)) is amended, in the matter following subparagraph (B), by striking “(as found necessary by the Secretary for the elimination of fraud in the provision and administration of medical assistance provided under the State plan (or waiver of such plan))”.

SEC. 208. MEDICAID COVERAGE FOR CITIZENS OF FREELY ASSOCIATED STATES.

(a) IN GENERAL.—Section 402(b)(2) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(b)(2)) is amended by adding at the end the following new subparagraph: