
Table of Contents

State/Territory Name: Washington

State Plan Amendment (SPA) #: 14-0029

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Seattle Regional Office
701 Fifth Avenue, Suite 1600, MS/RX-200
Seattle, Washington 98104



Division of Medicaid & Children's Health Operations

NOV 17 2014

Dorothy Frost Teeter, Director
MaryAnne Lindeblad, Director
Health Care Authority
PO Box 45502
Olympia WA 98504-5502

RE: Washington State Plan Amendment (SPA) Transmittal Number 14-0029

Dear Ms. Teeter and Ms. Lindeblad:

The Centers for Medicare & Medicaid Services (CMS) Seattle Regional Office has completed its review of State Plan Amendment (SPA) Transmittal Number WA 14-0029. This SPA is being submitted in order to request a 12-month exception period to the federal requirement for a Recovery Audit Contractor, allowing the agency time for a re-procurement of a Recovery Audit Contractor to replace the contractor that was terminated in June 2014.

This SPA is approved with an effective date of August 7, 2014.

If you have any additional questions or require any further assistance, please contact me, or have your staff contact Yvonne Martin at (206) 615-3802 or yvonne.martin@cms.hhs.gov.

Sincerely,

A black rectangular redaction box covering the signature of Carol J.C. Peverly.

Carol J.C. Peverly
Associate Regional Administrator
Division of Medicaid and Children's Health
Operations

cc:
Ann Myers, SPA Coordinator

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
14-0029

2. STATE
Washington

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
August 7, 2014

5. TYPE OF PLAN MATERIAL (*Check One*):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION:
1905a of the Social Security Act

7. FEDERAL BUDGET IMPACT:
a. FFY 2014 \$8,000
b. FFY 2015 \$50,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Numbered Page 36b

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*):

Numbered Page 36b

10. SUBJECT OF AMENDMENT:

Recovery Audit Contractor

11. GOVERNOR'S REVIEW (*Check One*):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☒ OTHER, AS SPECIFIED: Exempt

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME: 
MARYANNE LINDEBLAD

14. TITLE:
MEDICAID DIRECTOR

15. DATE SUBMITTED:

9-16-14

16. RETURN TO:

Ann Myers
Office of Rules and Publications
Legal and Administrative Services
Health Care Authority
626 8th Ave SE MS: 42716
Olympia, WA 98504-2716

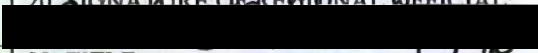
FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 9/16/14

18. DATE APPROVED: NOV 17 2014

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
August 7, 2014

20. SIGNATURE OF REGIONAL OFFICIAL: 

21. TYPED NAME: Carol J.C. Peverly

22. TITLE: Associate Regional Administrator
Division of Medicaid &
Children's Health

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

4.5b Medicaid Recovery Audit Contractor Program

Citation

Section 1902(a)(42)(V)(i)
of the Social Security Act

 The State has established a program under which it will contract with one or more recovery audit contractors (RACs) for the purpose of identifying underpayments and overpayments of Medicaid claims under the State plan and under any waiver of the State plan.

 X The State is seeking an exception to establishing such program for the following reasons:

Washington has had a RAC in place since May 21, 2012. On June 16, 2014, Washington terminated its RAC contract and is requesting an exception for a period of 12 months to allow for re-procurement of a RAC. Washington will have a RAC in place that adheres to the attestations in this SPA no later than July 1, 2015.

Section 1902(2)(42)(B)(ii)(I)
of the Act

 X The State/Medicaid Agency has contracts of the type(s)) listed in section 1902(a)(42)(B)(ii)(I) of the Act. All contracts meet the requirements of the statute. RACs are consistent with the statute.

Note: The State is in the process of re-procuring a RAC and expects to enter into a contract before July 1, 2015.

Place a check mark to provide assurance of the following:

 X The State will make payments to the RAC(s) only from amounts recovered.

Section 1902(a)(42)(B)(ii)(II)(aa)
of the Act

 X The State will make payments to the RAC(s) on a contingent basis for collecting overpayments.

The following payment methodology shall be used to determine State payments to Medicaid RACs for identification and recovery of overpayments (e.g., the percentage of the contingency fee):

 X The State attests that the contingency fee rate paid to the Medicaid RAC will not exceed the highest rate paid to Medicare RACs, as published in the Federal Register.

[Back to TOC](#)

 The State attests that the contingency fee rate paid to the Medicaid RAC will exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State will only submit for FFP up to the amount equivalent to that published rate.