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State/Territory Name: Washington

State Plan Amendment (SPA) #: 15-0033

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 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, WA 98104



Division of Medicaid & Children's Health Operations

November 16, 2015

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 15-0033

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 15-0033. This SPA is being submitted in order to request a 12-month exception period to the federal requirement for a Recovery Audit Contractor (RAC). This is to allow the Agency time to re-evaluate the services to include in the RAC contract expected to be entered into before July 1, 2016.

This SPA is approved with an effective date of July 16, 2015.

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

Sincerely,

A black rectangular box redacting the signature of David L. Meacham.

Digitally signed by David L. Meacham -S
DN: c=US, o=U.S. Government, ou=HHS,
u=CMS, ou=People,
9.2342.19200300.100.1.1=200004185
8, cn=David L. Meacham -S
Date: 2015.11.19 14:04:00 -08'00'

David L. Meacham
Associate Regional Administrator

cc:
Ann Myers, HCA

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

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

1. TRANSMITTAL NUMBER:
15-0033

2. STATE
Washington

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

4. PROPOSED EFFECTIVE DATE
July 16, 2015

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:
1902(a) of the Social Security Act

7. FEDERAL BUDGET IMPACT:
a. FFY 2015 \$0
b. FFY 2016 \$0

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

Exception to RAC Requirements

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED: Exempt

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

MARYANNE LINDEBLAD

14. TITLE:

MEDICAID DIRECTOR

15. DATE SUBMITTED:

9-9-15

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: 09/09/15

18. DATE APPROVED: 11/16/15

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
07/16/15

20. SIGNATURE OF

21. TYPED NAME: David L. Meacham

22. TITLE: Associate Regional Administrator

23. REMARKS:

Digitally signed by David L. Meacham - S
DN: c=US, o=U.S. Government, ou=HHS,
u=CMS, ou=People,
#342.19200300.100.1.1=2000041858,
n=David L. Meacham - S
Date: 2015.11.19 14:05:36 -08'00'

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 conducted a procurement and didn't receive any bids from vendors. The State will be re-evaluating the services to include in the RAC contract and needs additional time for re-procurement.

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-evaluating the services to include in the RAC contract and expects to enter into a contract before July 1, 2016.

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.

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 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.