

## **Table of Contents**

**State/Territory Name: Washington**

**State Plan Amendment (SPA) #: 20-0038**

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  
601 E. 12th St., Room 355  
Kansas City, Missouri 64106



**Medicaid and CHIP Operations Group**

---

December 16, 2020

Susan Birch, Director  
MaryAnne Lindeblad, Medicaid Director  
Health Care Authority  
PO Box 45502  
Olympia, WA 98504-5010

Dear Ms. Birch and Ms. Lindeblad:

The Centers for Medicare & Medicaid Services (CMS) has completed its review of the enclosed State Plan Amendment (SPA), Transmittal Number WA-20-0038. This SPA implements a full two-year exception to the federal requirement for a Recovery Audit Contractor (RAC), which will expire on October 1, 2022.

This SPA is approved effective October 1, 2020. Enclosed is a copy of the CMS-179 summary form, as well as the approved pages for incorporation into the Washington State Plan.

If you have any questions, please contact Nikki Lemmon at 303-844-2641 or via email at [nicole.lemmon@cms.hhs.gov](mailto:nicole.lemmon@cms.hhs.gov).

Sincerely,

ly signed by James G.  
S  
2020.12.16 09:56:58

James G. Scott, Director  
Division of Program Operations

Enclosure

cc:  
Ann Myers, HCA  
Scott Best, HCA

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

1. TRANSMITTAL NUMBER:  
**20-0038**

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  
October 1, 2020

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 2020 \$0  
b. FFY 2021 \$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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  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:

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:

[Redacted Signature]

16. RETURN TO:

Ann Myers  
Rules and Publications  
Division of Legal Services  
Health Care Authority  
626 8<sup>th</sup> Ave SE MS: 42716  
Olympia, WA 98504-2716

13. TYPED NAME:  
MaryAnne Lindeblad

14. TITLE:  
Director

15. DATE SUBMITTED:  
12-1-2020

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED: 12/14/20

18. DATE APPROVED:  
December 15, 2020

**PLAN APPROVED – ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:  
10/1/20

DIGITAL SIGNATURE: [Redacted]  
Officially signed by James G. Scott -S  
020.12.16 09:58:16 -06'00'

21. TYPED NAME:  
James G. Scott

22. TITLE:  
Director, Division of Program Operations

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 a time-limited exception to establishing such program for the following reasons:

*Washington State is respectfully requesting an extension to its current exception to establish a Medicaid RAC program. The State released a Request for Proposal on September 11, 2020, with a due date of September 23, 2020, and once again no bids were received.*

*Approximately 90% of Washington State's Medicaid population is enrolled in managed care and provider network payments are not subject to recovery audit contracting. The State has not received bids from any RAC vendor during the last three RFPs issued.*

*Washington State maintains a robust program integrity oversight program of fee-for-service (FFS) payments and is entering into a Joint Operating Agreement with Qlarant, the UPIC for the Western Region to assist in oversight of FFS expenditures. The State will leverage audits of FFS programs and providers with Qlarant to ensure appropriate oversight of FFS expenditures continue.*