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State/Territory Name: Washington

State Plan Amendment (SPA) #: 22-0030

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 20, 2022

Susan Birch, Director
Dr. Charissa Fotinos, Medicaid Director
Health Care Authority
PO Box 45502
Olympia, WA 98504-5010

Re: Washington State Plan Amendment (SPA) Transmittal Number 22-0030

Dear Susan Birch and Dr. Fotinos:

We reviewed your proposed Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) WA 22-0030. This amendment updates the state plan to waive the Recovery Audit Contractor (RAC) Program.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations 42 CFR §455.502(b). This letter is to inform you that Washington Medicaid SPA TN 22-0030 is approved December 16, 2022, with an effective date of October 1, 2022, and expires on October 1, 2024.

This approved exemption to waive the recovery audit contactor program is good for a two-year period and requires the state to seek CMS approval biannually. 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 Edwin Walaszek at 212-616-2512 or via email at Edwin.Walaszek1@cms.hhs.gov.

Sincerely,



Sophia Hinojosa, Acting Director
Division of Program Operations

Enclosures

cc: Ann.Myers-ann.myers@hca.wa.gov

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER <u>2 2</u> — <u>0 0 3 0</u>	2. STATE <u>WA</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
October 1, 2022

5. FEDERAL STATUTE/REGULATION CITATION
1902(a) of the Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2022 \$ 0
b. FFY 2023 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Numbered Page 36b


8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Numbered Page 36b

9. SUBJECT OF AMENDMENT
Recovery Audit Contractor

10. 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

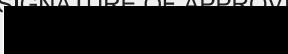
11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME
Charissa Fotinos MD, MSc
13. TITLE
Medicaid and Behavioral Health Medical Director
14. DATE SUBMITTED
December 13, 2022

15. RETURN TO
State Plan Coordinator
POB 42716
Olympia, WA 98504-2716

FOR CMS USE ONLY

16. DATE RECEIVED December 13, 2022	17. DATE APPROVED December 16, 2022
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL October 1, 2022	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL Sophia Hinojosa	21. TITLE OF APPROVING OFFICIAL Acting Director, Division of Program Operations

22. 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 14, 2022, with a due date of September 23, 2022, 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 four RFPs issued.

Washington State maintains a robust program integrity oversight program of fee-for-service (FFS) payments and has entered 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.