

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.

Sincerely,

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
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION		4. PROPOSED EFFECTIVE DATE October 1, 2020	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES			
5. TYPE OF PLAN MATERIAL <i>(Check One)</i> : <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT <i>(Separate Transmittal for each amendment)</i>			
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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT <i>(If Applicable)</i> : Numbered Page 36b	
10. SUBJECT OF AMENDMENT: Recovery Audit Contractor			
11. GOVERNOR'S REVIEW <i>(Check One)</i> : <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Exempt <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Ann Myers Rules and Publications Division of Legal Services Health Care Authority 626 8 th 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		20. SIGNATURE OF REGIONAL OFFICIAL:	
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.