



# PROPOSED RULE MAKING

## CR-102 (June 2024) (Implements RCW 34.05.320) Do NOT use for expedited rule making

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STATE OF WASHINGTON  
FILED

DATE: June 06, 2025

TIME: 6:52 AM

WSR 25-13-012

Agency: Health Care Authority

☒ Original Notice

☐ Supplemental Notice to WSR \_\_\_\_\_

☐ Continuance of WSR \_\_\_\_\_

☒ Preproposal Statement of Inquiry was filed as WSR 25-09-018 ; or

☐ Expedited Rule Making--Proposed notice was filed as WSR \_\_\_\_\_; or

☐ Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or

☐ Proposal is exempt under RCW \_\_\_\_\_.

Title of rule and other identifying information: (describe subject) 182-501-0100, Subrogation

Hearing location(s):

Date:	Time:	Location: (be specific)	Comment:
July 22, 2025	10:00 AM	The Health Care Authority holds public hearings virtually without a physical meeting place	To attend the virtual public hearing, <a href="https://us02web.zoom.us/webinar/register/WN_VITsQt7BTjSW_XXGHQ5GqQ#/registration">you must register in advance:</a> <a href="https://us02web.zoom.us/webinar/register/WN_VITsQt7BTjSW_XXGHQ5GqQ#/registration">https://us02web.zoom.us/webinar/register/WN_VITsQt7BTjSW_XXGHQ5GqQ#/registration</a>  If the link above opens with an error message, please try using a different browser. After registering, you will receive a confirmation email containing information about joining the public hearing

Date of intended adoption: Not sooner than July 23, 2025 (Note: This is **NOT** the **effective** date)

Submit written comments to:

Name HCA Rules Coordinator  
Address PO Box 42716, Olympia WA 98504-2716  
Email [arc@hca.wa.gov](mailto:arc@hca.wa.gov)  
Fax 360-586-9727  
Other

Beginning (date and time) June 5, 2025, 8:00 AM

By (date and time) July 22, 2025, by 11:59 PM

Assistance for persons with disabilities:

Contact HCA Rules Coordinator  
Phone 360-725-1349  
Fax 360-586-9727  
TTY Telecommunication Relay Service (TRS): 711  
Email [arc@hca.wa.gov](mailto:arc@hca.wa.gov)  
Other  
By (date) July 3, 2025

**Purpose of the proposal and its anticipated effects, including any changes in existing rules:** The agency is amending WAC 182-501-0100 to reflect the 2011 change in authority for overseeing the Medicaid program from the Washington State Department of Social and Health Services (DSHS) to the Health Care Authority (HCA). Currently, the rule references only the DSHS lien statutes. This amendment will add reference to the HCA lien statutes. Both HCA and DSHS use liens for subrogation purposes.

**Reasons supporting proposal:** See Purpose

**Statutory authority for adoption:** RCW 41.05.021, 41.05.160

**Statute being implemented:** RCW 41.05.021, 41.05.160

**Is rule necessary because of a:**

Federal Law?

☐ Yes ☒ No

Federal Court Decision?

☐ Yes ☒ No

State Court Decision?

☐ Yes ☒ No

If yes, CITATION:

<b>Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:</b> None			
<b>Name of proponent:</b> (person or organization) Health Care Authority			
<b>Type of proponent:</b> <input type="checkbox"/> Private. <input type="checkbox"/> Public. <input checked="" type="checkbox"/> Governmental.			
<b>Name of agency personnel responsible for:</b>			
	Name	Office Location	Phone
Drafting	Brian Jensen	PO Box 42716, Olympia, WA 98504-2716	360-725-0815
Implementation	Trudi Glant	PO Box 45504, Olympia, WA 98504-5504	360-725-2080
Enforcement	Trudi Glant	PO Box 45504, Olympia, WA 98504-5504	360-725-2080
<b>Is a school district fiscal impact statement required under <a href="#">RCW 28A.305.135</a>?</b>			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, insert statement here:			
<p>The public may obtain a copy of the school district fiscal impact statement by contacting:</p> <p>Name</p> <p>Address</p> <p>Phone</p> <p>Fax</p> <p>TTY</p> <p>Email</p> <p>Other</p>			
<b>Is a cost-benefit analysis required under <a href="#">RCW 34.05.328</a>?</b>			
<input type="checkbox"/> Yes: A preliminary cost-benefit analysis may be obtained by contacting: <p>Name</p> <p>Address</p> <p>Phone</p> <p>Fax</p> <p>TTY</p> <p>Email</p> <p>Other</p>			
<input checked="" type="checkbox"/> No: Please explain: RCW 34.05.328 does not apply to Health Care Authority rules unless requested by the Joint Administrative Rules Review Committee or applied voluntarily.			
<b>Regulatory Fairness Act and Small Business Economic Impact Statement</b>			
Note: The <a href="#">Governor's Office for Regulatory Innovation and Assistance (ORIA)</a> provides support in completing this part.			
<b>(1) Identification of exemptions:</b>			
This rule proposal, or portions of the proposal, <b>may be exempt</b> from requirements of the Regulatory Fairness Act (see <a href="#">chapter 19.85 RCW</a> ). For additional information on exemptions, consult the <a href="#">exemption guide published by ORIA</a> . Please check the box for any applicable exemption(s):			
<input type="checkbox"/> This rule proposal, or portions of the proposal, is exempt under <a href="#">RCW 19.85.061</a> because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted. Citation and description:			
<input type="checkbox"/> This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by <a href="#">RCW 34.05.313</a> before filing the notice of this proposed rule.			
<input type="checkbox"/> This rule proposal, or portions of the proposal, is exempt under the provisions of <a href="#">RCW 15.65.570</a> (2) because it was adopted by a referendum.			

- ☐ This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025\(3\)](#). Check all that apply:
- |   |  |
|---|--|
| <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(b)<br>(Internal government operations) | <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(e)<br>(Dictated by statute)   |
| <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(c)<br>(Incorporation by reference)     | <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(f)<br>(Set or adjust fees)  |
| <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(d)<br>(Correct or clarify language)    | <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(g)<br>((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit) |
- ☐ This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025\(4\)](#). (Does not affect small businesses).
- ☐ This rule proposal, or portions of the proposal, is exempt under RCW \_\_\_\_\_.  
Explanation of how the above exemption(s) applies to the proposed rule:

**(2) Scope of exemptions:** *Check one.*

- ☐ The rule proposal: Is fully exempt. (*Skip section 3.*) Exemptions identified above apply to all portions of the rule proposal.
- ☐ The rule proposal: Is partially exempt. (*Complete section 3.*) The exemptions identified above apply to portions of the rule proposal, but less than the entire rule proposal. Provide details here (consider using [this template from ORIA](#)):
- ☒ The rule proposal: Is not exempt. (*Complete section 3.*) No exemptions were identified above.

**(3) Small business economic impact statement:** *Complete this section if any portion is not exempt.*

If any portion of the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

- ☒ No Briefly summarize the agency's minor cost analysis and how the agency determined the proposed rule did not impose more-than-minor costs. This rule proposal imposes no compliance costs on businesses.
- ☐ Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses and a small business economic impact statement is required. Insert the required small business economic impact statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

Name  
Address  
Phone  
Fax  
TTY  
Email  
Other

**Date:** June 6, 2025

**Name:** Wendy Barcus

**Title:** HCA Rules Coordinator

**Signature:**



**WAC 182-501-0100 Subrogation.** (1) For the purpose of this section, "**liable third party**" means:

(a) The tort-feasor, or insurer of the tort-feasor, or both; and  
(b) Any person, entity or program that is or may be liable to provide coverage for the illness or injuries for which the medicaid agency is providing assistance or residential care.

(2) As a condition of medical care eligibility, a client must assign to the state any right the client may have to receive payment from any liable third party for medical expenses, assistance, or residential care.

(3) To the extent authorized by a contract executed under RCW 74.09.522, a managed health care plan has the rights and remedies of the agency under RCW 41.05A.070, 43.20B.060, and 74.09.180.

(4) The agency is not responsible for medical care payment(s) for a client whose personal injuries are caused by the negligence or wrongdoing of another. However, the agency may provide the medical care required as a result of an injury or illness to the client if the client is otherwise eligible for medical care.

(5) The agency may pursue its right to recover the value of medical care provided to an eligible client from any liable third party or third-party settlement or judgment as a subrogee, assignee, or by enforcement of its public assistance lien under RCW 41.05A.050 through 41.05A.070, 43.20B.040 through 43.20B.070, 74.09.180, and 74.09.185.

(6) Notice to the agency and determining the reimbursement amount:

(a) The client or the client's legal representative must notify the agency in writing when filing any claim against a third party, commencing an action at law, negotiating a settlement, or accepting an offer from the liable third party. Send notices under this section to:

Health Care Authority  
COB Casualty Unit  
P.O. Box 45561  
Olympia, WA 98504-5561  
Fax: 360-753-3077

(b) The client or the client's legal representative must give the agency documentation proposing allocation of damages, if any, to be used for settlement or to be proven at trial.

(c) Where damages, including medical damages, have not been designated in the settlement or judgment, the client or the client's legal representative must contact the agency to determine the appropriate reimbursement amount for payments the agency made for the client's benefit.

(d) If the client and the agency cannot agree upon the appropriate reimbursement amount, any party may bring a motion in superior court for a hearing to determine the amount of reimbursement to the agency from settlement or judgment proceeds.

(7) The agency director or the director's designee must consent in writing to any discharge or compromise of any settlement or judgment of a lien created under RCW 41.05A.070 and 43.20B.060. The agency considers the compromise or discharge of a medical care lien only as authorized by federal regulation at 42 C.F.R. 433.139.

(8) The doctrine of equitable subrogation does not apply to defeat, reduce, or prorate any recovery made by the agency based on its assignment, lien, or subrogation rights.