

SSB 6508 - H COMM AMD

By Committee on Early Learning & Human Services

ADOPTED AS AMENDED 02/29/2012

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 43.20B.030 and 2005 c 292 s 5 are each amended to  
4 read as follows:

5 (1) Except as otherwise provided by law, including subsection (2)  
6 of this section, there will be no collection of overpayments and other  
7 debts due the department after the expiration of six years from the  
8 date of notice of such overpayment or other debt unless the department  
9 has commenced recovery action in a court of law or unless an  
10 administrative remedy authorized by statute is in place. However, any  
11 amount due in a case thus extended shall cease to be a debt due the  
12 department at the expiration of ten years from the date of the notice  
13 of the overpayment or other debt unless a court-ordered remedy would be  
14 in effect for a longer period.

15 (2) There will be no collection of debts due the department after  
16 the expiration of twenty years from the date a lien is recorded  
17 pursuant to RCW 43.20B.080.

18 (3) The department, at any time, may accept offers of compromise of  
19 disputed claims or may grant partial or total write-off of any debt due  
20 the department if it is no longer cost-effective to pursue. The  
21 department shall adopt rules establishing the considerations to be made  
22 in the granting or denial of a partial or total write-off of debts.

23 (4) Notwithstanding the requirements of RCW 43.20B.630, 43.20B.635,  
24 43.20B.640, and 43.20B.645, the department may waive all efforts to  
25 collect overpayments from a client when the department, the health care  
26 authority, or any state agency administering public assistance benefits  
27 determines the overpayment occurred through no fault of the client, the  
28 client was unaware that he or she was not eligible for the overpaid  
29 benefits, the client cannot repay the overpayment without drawing on  
30 funds needed for basic support, and the client relied on those benefits

1 for basic support. These are the applicable elements that are to be  
2 considered in any administrative hearing or judicial review proceeding  
3 concerning the overpayment of public assistance benefits.

4 NEW SECTION. Sec. 2. If any part of this act is found to be in  
5 conflict with federal requirements that are a prescribed condition to  
6 the allocation of federal funds to the state, the conflicting part of  
7 this act is inoperative solely to the extent of the conflict and with  
8 respect to the agencies directly affected, and this finding does not  
9 affect the operation of the remainder of this act in its application to  
10 the agencies concerned. Rules adopted under this act must meet federal  
11 requirements that are a necessary condition to the receipt of federal  
12 funds by the state.

13 NEW SECTION. Sec. 3. No later than October 1, 2013, the office of  
14 fraud and accountability within the department of social and health  
15 services, along with the state auditor's office and the department of  
16 early learning, shall collaborate in an effort to identify, review, and  
17 provide the legislature with recommendations for integrated monitoring  
18 and detection systems to prevent overpayments of public assistance from  
19 occurring."

20 Correct the title.

EFFECT: (1) Removes the provision that allowed the Department of  
Social and Health Services (DSHS) to waive efforts to collect from  
clients who, through no fault of their own, received an overpayment and  
the overpayment was less than \$2000.

(2) Includes the Health Care Authority (HCA) or any state agency  
administering public assistance benefits in addition to the DSHS that  
may waive efforts to collect overpayments to clients.

(3) Sets out criteria to be considered in any administrative  
hearing or judicial review proceeding regarding overpayment which are:  
(a) That the DSHS, HCA, or other agency that administers benefits  
determines that the overpayment occurred through no fault of the  
client; (b) the client was unaware that he or she was not eligible for  
the overpaid benefits; (c) the client cannot repay the overpayment  
without drawing on funds needed for basic support; and (d) the client  
relied on the benefits received for basic support.

(4) Extends to October 1, 2013, the date by which the Office of  
Fraud and Accountability, the Department of Early Learning, and the

State Auditor's Office must report to the legislature regarding recommendations for integrated monitoring and detection systems to prevent overpayments of public assistance.

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