

**RCW 74.09.892 Medicaid program integrity—Managed care organizations—Contracts—Best practices.** (1) Beginning January 1, 2024, the authority's contracts with managed care organizations must clearly detail each party's requirements for maintaining program integrity and the consequences the managed care organizations face if they do not meet the requirements. The contract must ensure the penalties are adequate to ensure compliance.

(2) The authority shall follow leading program integrity practices as recommended by the centers for medicare and medicaid services, including but not limited to:

(a) Monthly reporting and quarterly meetings with managed care organizations to discuss program integrity issues and findings as well as trends in fraud and other improper payments;

(b) Financial penalties for failure to fulfill program integrity requirements, including liquidated damages and sanctions;

(c) Directly auditing providers and:

(i) Recovering overpayments from the providers; or

(ii) Assessing liquidated damages against the managed care organizations;

(d) Ensuring recoveries and liquidated damages resulting from overpayments are properly accounted for and applied to managed care encounters to ensure accurate future rate setting; and

(e) Ensuring all contracts with managed care organizations are updated as appropriate to reflect program integrity requirements.

[2023 c 439 § 4.]

**Intent—Finding—2023 c 439:** See note following RCW 74.04.050.