**WSR 26-10-081**
**PROPOSED RULES**
**HEALTH CARE AUTHORITY**
[Filed May 6, 2026, 8:07 a.m.]

Original Notice.

Preproposal statement of inquiry was filed as WSR 25-19-093.

Title of Rule and Other Identifying Information: WAC 182-502-0030 Termination of provider enrollment—For cause, and 182-502-0040 Termination of provider enrollment—For convenience.

Hearing Location(s): On June 9, 2026, at 10:00 a.m. The health care authority (HCA) holds public hearings virtually without a physical meeting place. Virtual public hearings are held via Microsoft Teams webinar. To attend, you must register in advance at https://events.gcc.teams.microsoft.com/event/7c5d270b-ec0c-4828-89b8-76f6e336217c@11d0e217-264e-400a-8ba0-57dcc127d72d. After registering, you will receive a confirmation email containing information about joining the public hearing. You will be able to join the public hearing through most standard internet browsers; you do not need to install Microsoft Teams.

Date of Intended Adoption: Not sooner than June 10, 2026.

Submit Written Comments to: HCA Rules Coordinator, P.O. Box 42716, Olympia, WA 98504-2716, email arc@hca.wa.gov, fax 360-586-9727, beginning May 7, 2026, 8:00 a.m., by June 9, 2026, 11:59 p.m.

Assistance for Persons with Disabilities: Contact Jessica Nguyen, phone 360-725-1174, fax 360-586-9727, telecommunication relay service 711, email arc@hca.wa.gov, by May 22, 2026.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: HCA is revising WAC 182-502-0030 to clarify its authority to terminate a provider's enrollment with HCA and to clarify the impacts of terminations for cause to include any associated providers according to 42 C.F.R. Part 455. HCA is revising WAC 182-502-0040 to clarify that termination for convenience is the final agency action. HCA made other changes to these rules to improve clarity and usability.

Reasons Supporting Proposal: See purpose.

Statutory Authority for Adoption: RCW 41.05.021 and 41.05.160.

Statute Being Implemented: RCW 41.05.021 and 41.05.160.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: HCA, governmental.

Name of Agency Personnel Responsible for Drafting: Jason Crabbe, P.O. Box 42716, Olympia, WA 98504-2716, 360-725-9563; Implementation and Enforcement: Pooji Tran, P.O. Box 45506, Olympia, WA 98504-5506, 360-725-1192.

A school district fiscal impact statement is not required under RCW 28A.305.135.

A cost-benefit analysis is not required under RCW 34.05.328. RCW 34.05.328 does not apply to HCA rules unless requested by the joint administrative rules review committee or applied voluntarily.

Scope of exemption for rule proposal from Regulatory Fairness Act requirements:

Is not exempt.

The proposed rule does not impose more-than-minor costs on businesses. Following is a summary of the agency's analysis showing how costs were calculated. HCA has concluded that these rule amendments do not impose more-than-minor costs on small businesses. The purpose of

the revisions is to clarify the agency's current authority to terminate a provider's enrollment with the agency and to clarify the impacts of terminations for cause to include any associated providers according to 42 C.F.R. Part 455. All servicing providers enrolled under that billing provider agreement who are not enrolled under another provider agreement may have their enrollment immediately inactivated or terminated for cause. Providers whose enrollment has been inactivated may reapply for participation with HCA. These rules apply to all providers. These rules do not add any additional compliance requirements.

May 6, 2026
Wendy Barcus
Rules Coordinator

**RDS-7013.3**

AMENDATORY SECTION (Amending WSR 24-23-009, filed 11/8/24, effective 12/9/24)

**WAC 182-502-0030 Termination of provider enrollment—For cause.** (1) The medicaid agency may immediately terminate a provider's enrollment for any one or more of the following reasons, each of which constitutes cause:

(a) ((~~Provider exhibits significant risk factors that endanger client health or safety. These factors include, but are not limited to:~~

~~(i)~~)) Moral turpitude;

((~~(ii)~~)) (b) Sexual misconduct according to chapter 246-16 WAC or in profession specific rules of the department of health (DOH);

((~~(iii)~~)) (c) A statement of allegations or statement of charges by DOH or equivalent from other state licensing boards;

((~~(iv)~~)) (d) Restrictions or limitations placed by any state licensing, credentialing, or certification agency on the provider's current credentials or practice;

((~~(v)~~)) (e) Limitations, restrictions, or loss of hospital privileges or participation in any health care plan or failure to disclose the reasons to the agency;

((~~(vi)~~)) (f) Negligence, incompetence, inadequate or inappropriate treatment, or lack of appropriate follow-up treatment;

((~~(vii)~~)) (g) Patient drug mismanagement, failure to identify substance use disorder, or failure to refer the patient for substance use disorder treatment once identified;

((~~(viii)~~)) (h) Use of health care providers or health care staff who are unlicensed to practice or who provide health care services that are outside their recognized scope of practice or the standard of practice in the state of Washington;

((~~(ix)~~)) (i) Failure of the health care provider to comply with the provider requirements ((~~of~~)) in chapter 182-502 WAC, including WAC 182-502-0010, 182-502-0016, and 182-502-0020;

((~~(x)~~)) (j) Failure of the health care provider with a substance use disorder(s) to furnish documentation or other assurances as deter-

mined by the agency to adequately safeguard the health and safety of Washington apple health clients that the provider:

((~~(A)~~)) (i) Is complying with all conditions, limitations, or restrictions to the provider's practice both public and private; and

((~~(B)~~)) (ii) Is receiving treatment adequate to ensure that the disorder will not affect the quality of the provider's practice.

((~~(xi)~~)) (k) Infection control deficiencies;

((~~(xii)~~)) (l) Failure to maintain adequate professional malpractice coverage;

((~~(xiii)~~)) (m) Medical malpractice claims or professional liability claims that constitute a pattern of questionable or inadequate treatment, or contain any gross or flagrant incident of malpractice;

((~~or~~

~~(xiv) Any other act that the agency determines is contrary to the health and safety of its clients.~~

~~(b) Provider exhibits significant risk factors that affect the provider's credibility or honesty. These factors include, but are not limited to:~~

~~(i) Failure to meet the requirements in WAC 182-502-0010 and 182-502-0020;~~

~~(ii)~~)) (n) Dishonesty or other unprofessional conduct;

((~~(iii)~~)) (o) Civil or criminal findings of fraudulent or abusive billing practices through an investigation or other review (e.g., audit or record review);

((~~(iv)~~)) (p) Exclusion from participation in medicare, medicaid, or any other federally funded health care program;

((~~(v)~~)) (q) Any conviction, no contest plea, or guilty plea relating to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct;

((~~(vi)~~)) (r) Any conviction, no contest plea, or guilty plea of a criminal offense;

((~~(vii)~~)) (s) Failure to comply with a DOH request for information or an ongoing DOH investigation;

((~~(viii)~~)) (t) Noncompliance with a DOH or other state health care agency's stipulation to disposition, agreed order, final order, or other similar licensure restriction;

((~~(ix)~~)) (u) Misrepresentation or failure to disclose information to the agency during or after enrollment including on the application for a core provider agreement (CPA), a nonbilling provider agreement, or servicing providers enrolled under a core provider agreement;

((~~(x)~~)) (v) Failure to comply with an agency request for information;

((~~(xi)~~)) (w) Failure to submit adequate documentation to the agency or failure to retain adequate documentation as required by the agency;

((~~(xii)~~)) (x) Failure to cooperate with an agency investigation, audit, or review;

((~~(xiii)~~)) (y) Providing health care services that are outside the provider's recognized scope of practice or the standard of practice in the state of Washington;

((~~(xiv)~~)) (z) Unnecessary medical, dental, or other health care procedures;

((~~(xv)~~)) (aa) Discriminating in the furnishing of health care services, supplies, or equipment as prohibited by 42 U.S.C. § 2000d; and

((~~(xvi)~~)) (bb) Any other ((~~dishonest or discreditable~~)) act that the agency determines is contrary to the interest of the agency or the health and safety of its clients.

(2) ((~~If~~)) When a provider's enrollment is terminated for cause, the agency pays only for authorized services provided up to the date of termination of enrollment ((~~if other program requirements are met including, but not limited to, the requirements in WAC 182-502-0016~~)).

(3) When the agency terminates enrollment of a billing provider, including group practices, all servicing providers enrolled under that billing provider agreement who are not enrolled under another provider agreement may have their enrollment:

(a) Immediately inactivated; or

(b) Terminated for cause per this section.

(4) When the agency terminates enrollment of a servicing provider of an enrolled group practice who is also a full or partial owner ((~~of an enrolled group practice~~)) that meets the criteria of ownership in WAC 182-502-0018, the agency terminates the enrolled group practice and inactivates all enrolled servicing providers who are not ((~~linked to another enrolled group practice contracted with the agency. The remaining practitioners in the group practice may reapply for participation with the agency subject to WAC 182-502-0010~~)) enrolled under another provider agreement.

((~~(4)~~)) (5) Providers whose enrollment has been inactivated may reapply for participation with the agency subject to program rules, including WAC 182-502-0010.

(6) When the agency terminates a provider's enrollment for cause, the agency provides written notice to the provider in a manner which provides proof of receipt or proof of valid attempt to deliver the notice.

(7) **Effective date.**

(a) The effective date of the termination of a provider's enrollment is the date stated in the notice. ((~~The filing of an appeal as provided in subsection (5) of this section does not stay the effective date of termination.~~

~~(5)~~)) (b) When a provider's enrollment is terminated for misrepresentation or failure to disclose information to the agency during enrollment, the agency may:

(i) Terminate the provider's enrollment retroactively to the effective date of enrollment; and

(ii) Recoup any payments received by the provider since the date of enrollment.

(8) **Administrative hearing.**

(a) The provider may appeal the agency decision to terminate the provider's enrollment for cause by submitting a written request to the address contained in the decision notice within 28 calendar days of the date on the notice and in a manner that provides proof of receipt by the agency. The agency does not allow good cause exception related to this subsection.

(b) If the agency receives a timely appeal, the presiding officer will schedule a prehearing conference in accordance with WAC 182-526-0195.

(c) The administrative hearing process is governed by the Administrative Procedure Act, chapter 34.05 RCW, and chapter 182-526 WAC.

(d) Burden of proof.

(i) The provider has the burden of proof.

(ii) The standard of proof in a provider termination hearing is "clear and convincing evidence" meaning the evidence is highly and

substantially more likely to be true than untrue. This is a higher standard of proof than proof by a preponderance of the evidence, but it does not require proof beyond a reasonable doubt.

(e) The filing of an appeal does not stay the effective date of termination.

AMENDATORY SECTION (Amending WSR 24-23-009, filed 11/8/24, effective 12/9/24)

**WAC 182-502-0040 Termination of provider enrollment—For convenience.** (1) Either the medicaid agency or the provider may terminate the provider's enrollment with the agency for convenience with 28 calendar days written notice in a manner which provides proof of receipt or proof of valid attempt to deliver the notice.

(2) Termination of enrollment for convenience is the agency's final decision.

(3) Providers may not appeal or request reconsideration of the decision to terminate their enrollment for convenience.

(4) If a provider is terminated for convenience, the agency pays for authorized services provided up to the date of termination only.

(5) Providers whose enrollment has been terminated for convenience may reapply for participation with the agency subject to program rules, including WAC 182-502-0010.