**Rule-Making Order**

**Agency:** Office of the Attorney General

**Effective date of rule:**
- Permanent Rules
  - ☑ 31 days after filing.
  - ☐ Other (specify) ____________ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

**Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?**
- ☐ Yes
- ☑ No
  - If Yes, explain:

**Purpose:**

This rule complies with legislative direction in RCW 74.66.020(5) to, “annually adjust the civil penalties established in subsection (1) of this section so that they are equivalent to the civil penalties provided under the federal false claims act and in accordance with the federal civil penalties inflation adjustment act of 1990” by changing the civil penalties under Washington’s Medicaid False Claims Act to reflect inflation adjustments to the federal false claims act civil penalties made pursuant to 31 USC 3729(a), 28 CFR 85.3(a)(9).

**Citation of existing rules affected by this order:**
- Repealed:
- Amended:
- Suspended:

**Statutory authority for adoption:** RCW 74.66.020(5)

**Other authority:**

PERMANENT RULE (Including Expedited Rule Making)

Adopted under notice filed as WSR 17-11-087 on May 19, 2017.

Describe any changes other than editing from proposed to adopted version:

None

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:
- Name: ____________
- Address: ____________
- phone ( ) ____________
- fax ( ) ____________
- e-mail ____________

**Date adopted:** July 21, 2017

**Code Reviser Use Only**

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

- DATE: July 21, 2017
- TIME: 9:21 AM
- WSR 17-16-025

(COMPLETE REVERSE SIDE)
Note: If any category is left blank, it will be calculated as zero. No descriptive text.

Count by whole WAC sections only, from the WAC number through the history note. A section may be counted in more than one category.

The number of sections adopted in order to comply with:

<table>
<thead>
<tr>
<th>Category</th>
<th>New</th>
<th>Amended</th>
<th>Repealed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal statute</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal rules or standards</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recently enacted state statutes</td>
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<td></td>
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</tbody>
</table>

The number of sections adopted at the request of a nongovernmental entity:

<table>
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<th>New</th>
<th>Amended</th>
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</table>

The number of sections adopted in the agency’s own initiative:

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<tr>
<th>New</th>
<th>Amended</th>
<th>Repealed</th>
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</thead>
</table>

The number of sections adopted in order to clarify, streamline, or reform agency procedures:

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<tr>
<th>New</th>
<th>Amended</th>
<th>Repealed</th>
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</table>

The number of sections adopted using:

<table>
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<th>Negotiated rule making</th>
<th>New</th>
<th>Amended</th>
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<tbody>
<tr>
<td>Pilot rule making</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other alternative rule making</td>
<td>New</td>
<td>Amended</td>
<td>Repealed</td>
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</table>
Chapter 44-02 WAC
MEDICAID FRAUD FALSE CLAIMS ACT CIVIL PENALTY ADJUSTMENT

NEW SECTION

WAC 44-02-010 Washington medicaid False Claims Act civil penalty adjustment. Pursuant to RCW 74.66.020(5), the civil penalties under RCW 74.66.020(1) are adjusted for violations that occur after November 2, 2015, from not less than five thousand five hundred dollars and not more than eleven thousand dollars to not less than ten thousand nine hundred fifty-seven dollars and not more than twenty-one thousand nine hundred sixteen dollars, plus three times the amount of damages which the government entity sustains because of the act of that person.