

HOUSE OF REPRESENTATIVES

Olympia Washington

Bil Analysis

Bil No. ESSB 6216
(See ESHB 2346)

DSHS vendor overpayment recovery
Brief title

Hrg. Date: 2/24/98

Senator Horn/Patterson
Sponsor

Staff Josh Weiss
Comm. on Govt. Admin.
Phone: 786-7292

BACKGROUND:

Currently the Department of Social and Health Services (DSHS) must bring a civil court action in order to recover overpayments from vendors who provide public assistance or child support. The sole statutory remedy available to the DSHS is to secure a lien against the vendor's property which requires a lawsuit.

SUMMARY:

ESSB 6216 provides an administrative proceeding consistent with the State Administrative Procedure Act for the recovery of overpayments. This provides a mechanism whereby the amount of the debt is determined and broadens available collection measures.

A uniform procedure for the recovery of vendor overpayments is established. The department is required to give notice of the overpayment to the vendor who must, within 28 days, either pay the amount owed, or request an administrative proceeding. If the vendor does neither, a lien is established against the vendor in the amount claimed by the department. The department may collect the debt through a lien and foreclosure, distraint, seizure and sale, or to withhold and delivery of the collection procedures established for overpayment of public assistance in RCW 43.20B.635 (judicial lien), RCW 43.20B.640 (penalties for non-cooperation), RCW 43.20B.680 (liens), or any other collection action available.

The administrative process applies to all vendors who provide goods or services to the department's clients after July 1, 1998.

FISCAL NOTE: Not requested.

EFFECTIVE DATE: Ninety days after adjournment of session in which bill passed.