

## Administrative Policy No: 19.85.40

**Subject:** Timely Submittal of Claims

**Contact:** Office of Accounting Services  
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**Authorizing Source:** WAC [388-05-0010](#), How soon does a contractor have to submit claims for payment to the department after the services are rendered?  
WAC [182-502-0150](#), Time limits for providers to bill the agency

**Effective Date:** April 14, 2008

**Revised:** August 19, 2020

**Approved By:** Original signed by Judy Fitzgerald  
Assistant Secretary / Chief Financial Officer

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### Purpose

To establish policy related to the identification and payment of claims received after established timeframes from vendors, providers, contractors, or other state agencies that have contracts or agreements with the Department of Social and Health Services (DSHS).

### Scope

This policy applies to all DSHS programs for goods and services supplied by contractors, providers, vendors or other state agencies paid manually or through an automated system.

This policy does not apply to individual providers.

### Additional Guidance

DSHS Administrative Policy [19.85.41](#), Belated claims

### Definitions

**Appropriated accounts** means legislative authorization has been given to an agency to make expenditures for specific purposes from designated resources available or estimated to be available during a specified period. (SAAM)

**Belated claim** is an obligation of appropriated accounts for goods and services, which are received on or before June 30, but are not accrued in the concluding appropriation period. Shortages in estimated accrued expenditures/expenses are also treated as belated claims of the prior appropriation period.

**Claim** is a paper or electronic request for payment submitted by a contractor, provider, or vendor.

**Contractor** is any person, business, non-profit, or government entity who provides services to DSHS under a contractual agreement and not as an employee of DSHS.

**Department** refers to the Department of Social and Health Services (DSHS).

**Individual provider** means person, including a personal aide, who, under an individual provider contract with the department or as an employee of a consumer directed employer, provides personal care or respite care services to persons who are functionally disabled or otherwise eligible under programs authorized and funded by the medicaid state plan, medicaid waiver programs.

**Program** means the affected DSHS programs, including the division, office, or staff designated by the Assistant Secretary or Division Director as being responsible for compliance with this policy.

**Provider or vendor** is any person, business, non-profit, or government entity who provides goods/services to DSHS or its clients. A vendor may or may not have a contractual agreement. Does not mean individual provider.

## Policy

**A. The department must evaluate all claims to determine whether they are submitted timely, prior to payment.**

1. Contractors, providers, or vendors must submit claims no later than 12 months after the date of service. If a claim for payment is not presented within the 12-month period, there shall not be a charge against the state (WAC [388-05-0010](#)).
2. Other types of claims which may have specific restrictions (e.g., a DSHS contract), but cannot exceed 12 months after the date of service.
3. Exceptions may be granted if extenuating circumstances occur.

**B. The department must deny claims that are not submitted timely and that do not meet exception requirements.**

Claims that were submitted originally within the 12-month period but were not paid because of disagreement, lack of support documentation, etc. may be paid as if they were timely.

**C. The department must request a belated claim for those items approved for payment but where the goods or services were provided in a prior-prior biennium**

If DSHS validates an older claim, the program must follow policy and procedures established in the belated claim policy (DSHS Administrative Policy 19.85.41 Belated Claims).

**Procedures**

The flow chart at the end of this section illustrates the logical flow of procedures A, B, and C.

**A. Program staff determine whether a claim is submitted timely by comparing the date of service to the date the claim was received.**

If the claim is received timely and is valid, staff may pay the claim.

**B. For claims that are not submitted timely, program staff determine whether exceptions exist.**

1. For contractors, program staff may grant exceptions to the 12-month period for initial claims when billing delays are caused by either of the following:
  - a. Contractor did not receive payment, it was invoiced, and the contractor notified the department that it did not receive payment within the 12-month period; or
  - b. The contractor proves to the department's satisfaction that there are other extenuating circumstances (WAC [388-05-0010](#)).

Programs must follow applicable written procedures, such as contract language.

2. If exceptions do apply and the claim is submitted within the liquidation authority period, pay the claim. If the exceptions do NOT apply, do not pay the claim.
3. If the approved claim is outside the liquidation authority period, go to procedure C.

**C. For claims that were not submitted timely, have been determined payable, but are outside the liquidation authority period, program staff must submit a belated claim.**

If the claim is belated, staff follow the procedures listed in DSHS Administrative Policy [19.85.41](#), Belated Claims.

**FLOW CHART**

