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8 UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
9 AT SEATTLE

10 A.B., by and through her next friend
11 CASSIE CORDELL TRUEBLOOD, et
al.,

12 Plaintiffs,

13 v.

14 WASHINGTON STATE
15 DEPARTMENT OF SOCIAL AND
HEALTH SERVICES, et al.,

16 Defendants.
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CASE NO. C14-1178 MJP

ORDER RE: \$100 MILLION FINE
DISTRIBUTION PLAN

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19 The Court issues this Order for two purposes. First, the Court issues this Order in
20 response to the Parties' Plan to Distribute Trueblood Fine Money ("Plan") (Dkt. No. 1059) that
21 was required by the Court's Order on Plaintiffs' Motion for Contempt ("Contempt Order") (Dkt.
22 No. 1009). Second, the Court issues this Order in light of the fact that on November 22, 2023,
23 Defendants deposited the full \$100,318,000.00 due pursuant to the Court's Contempt Order. (See
24 Docket Notation 11/22/23.)

1 **A. The Parties' Proposed Plan to Distribute Fine Money**

2 As part of the Court's Contempt Order, the Court ordered the Court Monitor to convene a
3 workgroup to prepare a plan to distribute the \$100,318,000.00 fine. (Dkt. No. 1009.) The Court
4 Monitor duly convened a workgroup, which included the Court Monitor and experts from Court
5 Monitor's Office, Plaintiffs' counsel, three representatives from the Department of Social and
6 Health Services, and one representative from the Health Care Authority. (See Plan at 1.) The
7 Workgroup prepared the Plan, which outlined five different topics, including a proposed Scope
8 of Work from the Technical Assistance Collaborative that "could complement and extend the
9 impact of Trueblood fines funds" and a Request for Proposal for diversion services, starting with
10 the release of a "Solicitation for Letters of Interest" in December 2023. (Id. at 2-3.) When the
11 Workgroup submitted its Plan on October 6, 2023, it noted that Defendants had not paid the \$100
12 million fine, and had asked for a lengthy delay in its payment. (Id. at 3.) But the Workgroup
13 noted that there were over \$20 million in fines in the Court's registry that were available at that
14 time. (Id.) Indeed, as of November 6, 2023, the total was a little over \$24.5 million. Given the
15 availability of funds in the Registry, the Workgroup specified that the proposed RFP should
16 "move forward now" even with the uncertainty on when Defendants would pay the \$100 million
17 fine. But the Workgroup did not specify the exact amounts it sought to be disbursed from the
18 Registry or the parameters that should be placed on the funds.

19 The Court finds that the Plan outlines steps that are appropriate and necessary, and the
20 Court APPROVES the Plan. But because the Plan does not specify what amounts the Workgroup
21 wishes to have disbursed from the Court's registry as of the date the Plan was submitted, the
22 Court DIRECTS the Parties to prepare and submit a joint motion requesting disbursement of
23 specific funds the Workgroup had sought to support the various efforts outlined in the Plan. The
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1 request must specify to whom the funds should be disbursed and the purpose and/or limitations
2 on the use of the funds. The request must be filed within 14 days of entry of this Order.

3 **B. Distribution of Newly-Deposited \$100 Million Fine**

4 On November 22, 2023, the Court received the \$100,318,000.00 payment of the fines due
5 from the Contempt Order, notwithstanding the fact that the Court granted Defendants until April
6 2024 to pay the full amount. The receipt of these funds impacts the Workgroup and its efforts to
7 develop a plan of implementation. Indeed, when the Workgroup submitted its initial Plan, the
8 timing of the receipt of the \$100 million fine was unknown. This appears to have impacted the
9 initial Plan, which did not include a specific proposal on how to disburse the then-uncollected
10 \$100 million fine. Now that Defendants have paid the full \$100 million fine, the Court ORDERS
11 the Workgroup to reconvene and provide an updated plan to the Court within 60 days of this
12 Order. The updated plan shall discuss any and all issues related to the distribution of the \$100
13 million fine and any other funds in the Court's registry for this case.

14 The clerk is ordered to provide copies of this order to all counsel.

15 Dated December 4, 2023.

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17 Marsha J. Pechman
18 United States Senior District Judge
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