

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Dallas Regional Office
1301 Young Street, Suite 833
Dallas, Texas 75202



DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI

October 31, 2016

Our Reference: SPA LA 16-0007

Ms. Jen Steele, State Medicaid Director
Department of Health and Hospitals
628 North 4th St.
Post Office Box 91030
Baton Rouge, LA 70821-9030

Attention: Darlene Budgewater

Dear Ms. Steele:

We have reviewed the State's proposed amendment to the Louisiana State Plan submitted under Transmittal Number 16-0007 dated June 24, 2016. This state plan amendment adopts the provisions to establish a Medicaid Asset Verification program (AVP) to verify the assets of aged, blind, or disabled applicants for, and recipients of, Medicaid benefits.

Based on the information submitted, we have approved the amendment for incorporation into the official Louisiana State Plan with an effective date change of June 20, 2016. A copy of the CMS-179 and approved plan pages are enclosed with this letter.

If you have any questions, please contact Cheryl Rupley at (214) 767-6278 or by email at Cheryl.Rupley@cms.hhs.gov.

Sincerely,

A handwritten signature in black ink that reads "Bill Brooks". The signature is written in a cursive, slightly slanted style.

Bill Brooks
Associate Regional Administrator

Revision:

State: Louisiana
Date Approved: 10-31-2016
Date Effective: 6-20-2016
Date Submitted: 6-24-16
Transmittal Number: 16-0007

SUPPLEMENT 16 TO ATTACHMENT 2.6-A
Page 1

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: LOUISIANA

ASSET VERIFICATION SYSTEM

- 1940(a) 1. The Agency will provide for the verification of assets for purposes of determining or redetermining Medicaid eligibility for aged, blind and disabled Medicaid applicants and recipients using an Asset Verification System (AVS) that meets the following minimum requirements.
- A. The request and response system must be electronic:
 - (1) Verification inquiries must be sent electronically via the internet or similar means from the Agency to the financial institution (FI).
 - (2) The system cannot be based on mailing paper-based requests.
 - (3) The system must have the capability to accept responses electronically.
 - B. The system must be secure, based on a recognized industry standard of security (e.g., as defined by the U.S. Commerce Department's National Institute of Standards and Technology, or NIST).
 - C. The system must establish and maintain a database of FIs that participate in the Agency's AVS.
 - D. Verification requests also must be sent to FIs other than those identified by applicants and recipients, based on some logic such as geographic proximity to the applicant's home address, or other reasonable factors whenever the Agency determines that such requests are needed to determine or redetermine the individual's eligibility.
 - E. The verification requests must include a request for information on both open and closed accounts, going back up to 5 years.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: LOUISIANA

ASSET VERIFICATION SYSTEM

2. System Development

A. The Agency itself will build and maintain an AVS.

In 3 below, describe how the system will meet the requirements in Section 1.

B. The Agency will hire the following contractor to build and maintain an AVS.

In 3 below, identify the contractor, if known, and describe how the system will meet the requirements in Section 1.

C. The Agency will be joining a consortium to develop an AVS.

In 3 below, identify the States participating in the consortium. Also identify the contractor, if known, who will build and maintain the consortium's AVS, and how the system will meet the requirements in Section 1.

D. The Agency already has a system in place that meets the requirements for an acceptable AVS:

In 3 below, describe how the system meets the requirements in Section 1.

E. Other alternative not included in A. – D. above.

In 3 below, describe this alternative approach how it will meet the requirements in Section 1.

State: Louisiana
Date Approved: 10-31-2016
Date Effective: 6-20-2016
Date Submitted: 6-24-16
Transmittal Number: 16-0007

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: LOUISIANA

ASSET VERIFICATION SYSTEM

3. Provide the AVS implementation description and other information requested for the implementation approach checked in Section 2.

In order to implement the requirements of an Asset Verification System (AVS), the Louisiana Medicaid Program will incorporate an AVS solution as part of its modernized eligibility and enrollment system. We are currently working with Deloitte on the development and implementation of the system. The AVS solution will meet the requirements of §1040 of P.L. 110-252 and comply with the national standards prescribed by the Health Insurance Portability and Accountability Act of 1996 and the Balanced Budget Act of 1997, and will be kept in compliance with new and modified requirements.

State: Louisiana
Date Approved: 10-31-2016
Date Effective: 6-20-2016
Date Submitted: 6-24-16
Transmittal Number: 16-0007