

## Table of Contents

State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 16-0007

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved Page(s)

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**

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October 31, 2016

Our Reference: SPA LA 16-0007

Ms. Jen Steele, State Medicaid Director  
Department of Health and Hospitals  
628 North 4<sup>th</sup> 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](mailto:Cheryl.Rupley@cms.hhs.gov).

Sincerely,

A solid black rectangular box redacting the signature of Bill Brooks.

Bill Brooks  
Associate Regional Administrator

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:

**16-0007**

2. STATE

**Louisiana**

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE  
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

**June 20, 2016**

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN  AMENDMENT TO BE CONSIDERED AS NEW PLAN  AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (See Rate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

**42 CFR Section 1940(a)**

7. FEDERAL BUDGET IMPACT:

a. FFY **2016** – **\$0**  
b. FFY **2017** – **\$0**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

**Supplement 16 to Attachment 2.6-A, Pages 1 through 3**

9. PAGE NUMBER OF THE SUPERSEDED PLAN  
SECTION OR ATTACHMENT (If Applicable):

**None – New Pages**

10. SUBJECT OF AMENDMENT: **The SPA proposes to adopt 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.**

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

**The Governor does not review state plan material.**

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

**Rebekah E. Gee MD MPH**

14. TITLE:

**Secretary**

15. DATE SUBMITTED:

**June 24, 2016**

16. RETURN TO:

**Jen Steele, Medicaid Director  
State of Louisiana  
Department of Health  
628 N. 4<sup>th</sup> Street  
P.O. Box 91030  
Baton Rouge, LA 70821-9030**

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

24 June, 2016

18. DATE APPROVED:

31 October, 2016

**PLAN APPROVED – ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:

20 June, 2016

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Bill Brooks

22. TITLE:

Associate Regional Administrator  
Division of Medicaid and Children's Health

23. REMARKS:

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.

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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.

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