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State/Territory Name: Pennsylvania

State Plan Amendment (SPA) #: PA-17-0012

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
150 S. Independence Mall West
Suite 216, The Public Ledger Building
Philadelphia, Pennsylvania 19106-3499



Region III/Division of Medicaid and Children's Health Operations

SWIFT #111420174112

November 15, 2017

Teresa Miller
Acting Secretary
Pennsylvania Department of Human Services
625 Forster Street
Room 333, Health & Welfare Building
Harrisburg, Pennsylvania 17120

Dear Acting Secretary Miller:

The Centers for Medicare & Medicaid Services (CMS) has completed its review of Pennsylvania's State Plan Amendment (SPA) Transmittal Number 17-0012, "Implementation of the Asset Verification System for Medicaid Determinations for the Aged, Blind and Disabled Population." SPA PA-17-0012 implements the Asset Verification System (AVS) for the purposes of determining and re-determining Medicaid eligibility for the aged, blind, and disabled population. The SPA submission is in accordance with Section 1940 of the Social Security Act, 42 U.S.C. § 1396w.

This SPA was approved on November 9, 2017 with an effective date of December 31, 2017. Enclosed are:

1. The CMS Summary Page (CMS-179 form); and
2. The approved State Plan pages for PA-17-0012.

If you have any questions concerning this SPA, please contact Mary McKeon at 215-861-4181.

Sincerely,

Francis T.

Mccullough -S

Francis T. McCullough

Associate Regional Administrator

Digitally signed by
Francis T. Mccullough -S
Date: 2017.11.15
13:47:59 -05'00'

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

1. TRANSMITTAL NUMBER:
17-0012

2. STATE
Pennsylvania

FOR: HEALTH CARE FINANCING ADMINISTRATION

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

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

4. PROPOSED EFFECTIVE DATE
December 31, 2017

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 (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:
42 U.S.C. § 1396w

7. FEDERAL BUDGET IMPACT:
a. FFY \$2,569,482
b. FFY \$700,000
Mary Mckee-stosuy -S Digitally signed by Mary Mckee-stosuy -S Date: 2017.10.26 15:19:42 -0400

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Supplement 16 to Attachment 2.6 – A, Pages 1-3

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

N/A

10. SUBJECT OF AMENDMENT:
Implementation of the Asset Verification System for Medicaid determinations for the aged, blind and disabled population

11. GOVERNOR'S REVIEW (Check One):
 GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED: Review and approval authority has been delegated to the Department of Human Services
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE STATE AGENCY OFFICIAL: /s/

16. RETURN TO:
Commonwealth of Pennsylvania
Department of Human Services
Office of Medical Assistance Programs
Bureau of Policy, Analysis and Planning
P.O. Box 8046
Harrisburg, Pa. 17105

13. TYPED NAME:
Teresa D. Miller

14. TITLE:
Acting Secretary of Department of Human Services

15. DATE SUBMITTED: OCT 01 2017

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: October 11, 2017

18. DATE APPROVED: November 9, 2017

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
December 31, 2017

20. SIGNATURE OF REGIONAL OFFICIAL: /s/

21. TYPED NAME:
Francis McCullough

22. TITLE: Associate Regional Administrator

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: PENNSYLVANIA

ASSET VERIFICATION SYSTEM

- 1940(a)
of the Act
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 as determined by the State.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: PENNSYLVANIA

ASSET VERIFICATION SYSTEM

2. System Development

A. The agency itself will develop an AVS.

In 3 below, provide any additional information the agency wants to include.

B. The agency will hire a contractor to develop an AVS.

In 3 below provide any additional information the agency wants to include.

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

In 3 below, identify the States participating in the consortium. Also, provide any other information the agency wants to include pertaining to how the consortium will implement the AVS requirements.

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

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

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

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

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: PENNSYLVANIA

ASSET VERIFICATION SYSTEM

3. Provide the AVS implementation information requested for the implementation approach checked in Section 2, and any other information the agency may want to include.

In order to implement the requirements of the Asset Verification System (AVS), the Pennsylvania Department of Human Services will incorporate an automated AVS as part of its eligibility system. Pennsylvania is currently in the process of selecting a contractor through the Request for Proposal (RFP) process and is working with Deloitte on the development and implementation of the system. The AVS will meet the requirements of Supplement 16 to Attachment 2.6-A.