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**State/Territory Name: Rhode Island**

**State Plan Amendment (SPA) #: 18-004**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
JFK Federal Building, Government Center  
Room 2275  
Boston, Massachusetts 02203



**Division of Medicaid and Children's Health Operations / Boston Regional Office**

July 6, 2018

Eric Beane, Secretary  
Executive Office of Health and Human Services  
State of Rhode Island and Providence Plantations  
3 West Rd  
Virks Building  
Cranston, RI 02920

Dear Secretary Beane (via e-mail):

We are pleased to enclose a copy of approved State plan amendment (SPA) No. 18-004. This SPA is effective September 1, 2018 as requested.

This SPA transmitted a proposed amendment to Rhode Island's approved Title XIX State plan to implement an electronic Asset Verification System (AVS) that will verify the assets of aged, blind, and disabled applicants and recipients of Medicaid as required by Section 1940(a) of the Social Security Act.

If there are questions, please contact Robert Cruz. He can be reached at (781) 335-3455 or at [robert.cruz@cms.hhs.gov](mailto:robert.cruz@cms.hhs.gov).

Sincerely,

/s/

Richard R. McGreal  
Associate Regional Administrator

Enclosure

cc: January Angeles (via e-mail)  
Melody Lawrence (via e-mail)  
John Bonin (via e-mail)  
Patrick Tigue (via e-mail)

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: 18-004	2. STATE RI
<b>FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES</b>		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE September 1, 2018	
5. TYPE OF PLAN MATERIAL ( <i>Check One</i> ):  <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate Transmittal for each amendment</i> )			
6. FEDERAL STATUTE/REGULATION CITATION: Section 1940(a) of the Social Security Act		7. FEDERAL BUDGET IMPACT: a. FFY 2018                      \$ 270,600 b. FFY 2019                      \$ 97,200	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Supplement 16 to Attachment 2.6-A, Page 1-3		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):  N/A	
10. SUBJECT OF AMENDMENT: Asset Verification System			
11. GOVERNOR'S REVIEW ( <i>Check One</i> ): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED                      See Attached Letter <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:  /s/		16. RETURN TO:  EOHHS 3 West Rd, Virks Building Cranston, RI 02920	
13. TYPED NAME:                      Eric Beane			
14. TITLE:                                      Secretary			
15. DATE SUBMITTED:                      April 16, 2018			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED:                      April 19, 2018		18. DATE APPROVED:                      July 6, 2018	
<b>PLAN APPROVED – ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL: September 1, 2018		20. SIGNATURE OF REGIONAL OFFICIAL:  /s/	
21. TYPED NAME:                      Richard R. McGreal		22. TITLE: Associate Regional Administrator, Division of Medicaid and Children's Health Operations, Boston Regional Office	
23. REMARKS:  The state and CMS agreed to a pen and ink change to the Form 179. The proposed effective date in Box 4 was updated from June 1, 2018 to September 1, 2018.			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Rhode Island

ASSET VERIFICATION SYSTEM

1940(a)  
of the Act

- 1. The agency will provide for the verification of assets for purposes of determining or re-determining 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 re-determine 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.

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.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Rhode Island

ASSET VERIFICATION SYSTEM

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.

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.

OVERVIEW

The State of Rhode Island will be contracting with New England States Consortium Systems Organization (NESCSCO) to implement an electronic Asset Verification Service (e-AVS). NESCSCO has entered into contract with Public Consulting Group, INC (PCG) for the purposes of providing e-AVS services. The contract allows for multi-state buy-in as participating states, allowing for expedited implementation.

NESCSCO pursued this initiative with the sole purpose of facilitating State access to e-AVS and other tools. These services are ideal candidates for multi-State procurements for several reasons. The services support relatively straight-forward processes, not requiring significant customization. There are only a few vendors offering these services. Lastly, the costs are primarily volume-based, providing an opportunity for cost-savings that would not be available to States with individual contracts. Participation in this effort will enable a State to implement e-AVS within 60 – 90 days. Rhode Island plans to implement by September 1, 2018.

PCG has mapped a comprehensive project management plan for states entering into the existing contract. The contract would reflect state-specific deliverables as an attachment. Rhode Island will submit requests for asset verification through the Accuity Asset Verification Services, Inc. stand-alone web based portal. Electronic Asset Verification Services will enable the State to automate the manual process of sending requests to banks

TN No. 18-004

Approval Date: July 6, 2018

Effective Date: September 1, 2018

Supersedes

TN No. New

## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Rhode Island

## ASSET VERIFICATION SYSTEM

or applicants for information regarding their assets including national and local financial institution account data such as checking, savings, CDs, Christmas clubs, IRAs, money markets, etc. Responses are displayed through the web-based portal. It is anticipated that 85% of the results will be returned in five (5) days, and 90% will be returned in ten (10) days. This implementation requires no modifications to the current eligibility system.

## IMPLEMENTATION TIMELINE

EOHHS proposes a two-phase approach for implementation to ensure timely compliance.

## Phase I

Requests for asset verification will be submitted through a stand-alone web based portal. Responses are displayed through the web-based portal. It is anticipated that 85% of the results will be returned in five (5) days, and 90% will be returned in ten (10) days. This implementation requires no modifications to the current eligibility system.

The project set up phase will begin immediately, with coordination with PCG to define the project requirements. During this period, reports will be defined, and a reporting schedule created. The implementation phase will include a communication plan, training of staff, as well as the development of the related business processes.

A 30-day period will focus on configuring the portal to meet Rhode Island rules and regulations, as well as testing in the UAT environment. A stakeholder meeting schedule will be established.

Following successful testing, training materials will be developed by PCG and submitted to the State for approval. A training schedule will be developed, and training of staff will be conducted. At go-live, support will be provided on-site as needed, and remotely for the duration of the project.

The targeted implementation date for Phase I is September 1, 2018.

## Phase II

This phase would allow field workers to flag applicants that require asset verifications, which in turn would be included in a batch request. The batch would then be sent to the web-based portal. This will require one or two data interfaces with the existing eligibility system and therefore will be implemented at a future date.

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TN No. 18-004Approval Date: July 6, 2018Effective Date: September 1, 2018

Supersedes

TN No. New