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State Name: Virginia

State Plan Amendment (SPA) #: 12-08

This file contains the following documents in the order listed:

- 1) Approval Letters
- 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# 081720124019

SEP 20 2012

Cynthia B. Jones, Director
Department of Medical Assistance Services
600 East Broad Street, Suite 1300
Richmond, Virginia 23219

Dear Ms. Jones:

We have reviewed State Plan Amendment (SPA) 12-08, Asset Verification System, in which you propose to implement the use of an asset verification system to electronically verify through financial institutions the ownership and amount of resources held by elderly and disabled Virginia Medicaid applicants or recipients. This change is in response to a federal mandate in Section 7001(d) of the Supplemental Appropriations Act of 2008 which added a new section 1940 to Title XIX of the Social Security Act. Section 1940(a)(1), entitled, "Asset Verification through Access to Information Held by Financial Institutions," contained the following mandate: "each State shall implement an asset verification program described in subsection (b), for purposes of determining or redetermining the eligibility of an individual for medical assistance under the State plan under this title."

This SPA is acceptable. Therefore, we are approving SPA 12-08 with an effective date of April 1, 2012. Enclosed are the approved SPA pages and signed CMS-179 form.

If you have further questions about this SPA, please contact Margaret Kosherzenko of my staff at (215) 861-4288.

Sincerely,

/S/

Francis McCullough
Associate Regional Administrator

Enclosure

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER 1 2 - 0 8	2. STATE Virginia
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE April 1, 2012	
5. TYPE OF PLAN MATERIAL (Check One) <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 (Separate transmittal for each amendment)		
6. FEDERAL STATUTE/REGULATION CITATION 42 CFR Part 431	7. FEDERAL BUDGET IMPACT a. FFY 2012 \$ 1,000,000 b. FFY 2013 \$ 1,000,000	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attach. 2.6-A, Suppl. 16, Pages 1-3 of 3	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Same pages	
10. SUBJECT OF AMENDMENT Asset Verification System		
11. GOVERNOR'S REVIEW (Check One) <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT ²⁰¹² <input checked="" type="checkbox"/> OTHER, AS SPECIFIED <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL Secretary of Health and Human Resources		
12. SIGNATURE OF STATE AGENCY OFFICIAL /s/	16. RETURN TO Dept. of Medical Assistance Services 600 East Broad Street, #1300 Richmond VA 23219 Attn: Regulatory Coordinator	
13. TYPED NAME Cynthia B. Jones		
14. TITLE Director		
15. DATE SUBMITTED June 26, 2012		
FOR REGIONAL OFFICE USE ONLY		
17. DATE RECEIVED June 26, 2012	18. DATE APPROVED SEP 20 2012	
PLAN APPROVED - ONE COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL APRIL 1, 2012	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 of VIRGINIA

ELIGIBILITY CONDITIONS AND REQUIREMENTS

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 of VIRGINIA

ELIGIBILITY CONDITIONS AND REQUIREMENTS

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 of VIRGINIA

ELIGIBILITY CONDITIONS AND REQUIREMENTS

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.

Virginia will be implementing a web-based Asset Verification System (AVS) as part of its Eligibility Modernization Project for implementing the mandatory provisions of Health Care Reform. The selected contractors will provide an AVS that meets all requirements of the Centers for Medicare and Medicaid Services (CMS) and P.L. 1940. It will be secure and meet all MITA standards.