



Department of Health

ANDREW M. CUOMO
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Executive Deputy Commissioner

MAR 31 2016

Mr. Michael Melendez
Associate Regional Administrator
Department of Health & Human Services
Centers for Medicare & Medicaid Services
New York Regional Office
Division of Medicaid and Children's Health Operations
26 Federal Plaza - Room 37-100 North
New York, New York 10278

RE: SPA #16-0014

Dear Mr. Melendez:

The State requests approval of the enclosed amendment #16-0014 to the Title XIX (Medicaid) State Plan effective January 1, 2016 (Appendix I).

A summary of the plan amendment is provided in Appendix II. Copies of pertinent sections of proposed State statute are enclosed for your information (Appendix III).

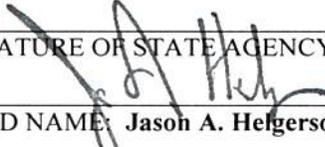
In keeping with our continued agreement, this amendment is being sent to you prior to the end of the second quarter.

If you or your staff have any questions or need any assistance, please contact Karla Knuth of my staff at (518) 473-4665.

Sincerely,

Jason A. Helgerson
Medicaid Director
Office of Health Insurance Programs

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: 16-0014	2. STATE New York
		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 January 1, 2016	
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 of the Social Security Act		7. FEDERAL BUDGET IMPACT: (in thousands) a. FFY 01/01/16-09/30/16 \$ 0 b. FFY 10/01/16-09/30/17 \$ 0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Att 2.1-A Supplement 16 – Page 3		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Att 2.1-A Supplement 16 – Page 3	
10. SUBJECT OF AMENDMENT: Asset Verification System Amendment (FMAP = 50%)			
11. GOVERNOR'S REVIEW (<i>Check One</i>): <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input 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			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: New York State Department of Health Bureau of Federal Relations & Provider Assessments 99 Washington Ave – One Commerce Plaza Suite 1460 Albany, NY 12210	
13. TYPED NAME: Jason A. Helgeson			
14. TITLE: Medicaid Director Department of Health			
15. DATE SUBMITTED: MAR 31 2016			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED:	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL:		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME:		22. TITLE:	
23. REMARKS:			

Appendix I
2016 Title XIX State Plan
Second Quarter Amendment
Amended SPA Pages

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

[State:] New York [State]

Page 3

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.

[New York State's Financial Institution Recipient Match (FIRM) is a State developed financial institution computer match that provides Local Departments of Social Services (LDSS) with resource information for use in assessing Medicaid and Temporary Assistance eligibility of applicant/recipients (A/Rs). FIRM is part of the resource file integration (RFI) system. The RFI system compares A/Rs against individuals on the resource files of various State and Federal agencies and financial institutions in order to verify the information provided by A/Rs on the Medicaid application and renewal forms and to provide additional information to the Medicaid eligibility worker.

When an applicant/recipient is being reviewed for eligibility or having their eligibility redetermined, they are subject to the RFI process. As part of this process, FIRM is accomplished by electronically matching the demographic information of the A/Rs to the financial institution database maintained by the Office of Temporary and Disability Assistance (OTDA). The A/R is matched against all financial institutions on the database. If multiple matches are made, all information will be provided electronically to the eligibility worker at the LDSS office to review.

OTDA maintains a database of financial information from approximately 800 financial institutions. These financial institutions are comprised of New York State only financial institutions as well as national and international financial institutions. Financial institutions submit their account information through a secure file transmission to OTDA. Some institutions update their information weekly while some update the information quarterly. The information collected reflects current and closed accounts as well as demographic changes to the account since the last submission by the financial institution.]

New York State executed a contract with Public Consulting Group on August 15, 2014 for an automated asset and real property verification service. PCG and the Department defined portal requirements and began testing at the end of July 2015. The program will be phased in starting with three upstate counties in March 2016. The remaining upstate counties will begin in June 2016. The AVS portal will be used for both applications and renewals as part of the eligibility (re)determination.

Due to unique data requirements, NYC will begin using AVS in June 2016 for nursing home applications and conversion cases (community Medicaid cases that transition to nursing home coverage). NYC will expand to community applications and renewals in the last the quarter of 2016.

A nightly batch file of Medicaid applicants/recipients (aged, blind and disabled) is pulled from our eligibility system (Welfare Management System) and sent to PCG to access AVS information. A manual web service allows a Medicaid eligibility worker to access AVS information for a non-applying spouse. New forms were created to obtain authorization to use AVS from a non-applying spouse. Information from AVS is returned on a web-based, secure portal.

The Department has established rules to set flags for potential transfer of assets.

Numerous user roles were created in order for Medicaid eligibility workers to manage tasks related to AVS responses.

TN #16-0014

Approval Date _____

Supersedes TN #09-0040

Effective Date _____

Appendix II
2016 Title XIX State Plan
Second Quarter Amendment
Summary

SUMMARY
SPA #16-0014

This State Plan Amendment proposes to provide information on the contractor hired to develop and implement the State's asset verification system.

Appendix III
2016 Title XIX State Plan
Second Quarter Amendment
Authorizing Provisions



ASSET VERIFICATION THROUGH ACCESS TO INFORMATION HELD BY FINANCIAL INSTITUTIONS

SEC. 1940. [42 U.S.C. 1396w] (a) AUTHORITY OR REQUIREMENTS TO COVER ADDITIONAL INDIVIDUALS.—For provisions of law which make additional individuals eligible for medical assistance under this title, see the following:

(1) IN GENERAL.—Subject to the provisions of this section, 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.

(2) PLAN SUBMITTAL.—In order to meet the requirement of paragraph (1), each State shall—

(A) submit not later than a deadline specified by the Secretary consistent with paragraph (3), a State plan amendment under this title that describes how the State intends to implement the asset verification program; and (B)

(B) provide for implementation of such program for eligibility determinations and redeterminations made on or after 6 months after the deadline established for submittal of such plan amendment.

(3) PHASE-IN.—

(A) IN GENERAL.—

(i) IMPLEMENTATION IN CURRENT ASSET VERIFICATION DEMO STATES.—The Secretary shall require those States specified in subparagraph (C) (to which an asset verification program has been applied before the date of the enactment of this section) to implement an asset verification program under this subsection by the end of fiscal year 2009.

(ii) IMPLEMENTATION IN OTHER STATES.—The Secretary shall require other States to submit and implement an asset verification program under this subsection in such manner as is designed to result in the application of such programs, in the aggregate for all such other States, to enrollment of approximately, but not less than, the following percentage of enrollees, in the aggregate for all such other States, by the end of the fiscal year involved:

(I) 12.5 percent by the end of fiscal year 2009.

(II) 25 percent by the end of fiscal year 2010.

(III) 50 percent by the end of fiscal year 2011.

(IV) 75 percent by the end of fiscal year 2012.

(V) 100 percent by the end of fiscal year 2013.

(B) CONSIDERATION.—In selecting States under subparagraph (A)(ii), the Secretary shall consult with the States involved and take into account the feasibility of implementing asset verification programs in each such State.

(C) STATES SPECIFIED.—The States specified in this subparagraph are California, New York, and New Jersey.

(D) CONSTRUCTION.—Nothing in subparagraph (A)(ii) shall be construed as preventing a State from requesting, and the Secretary from approving, the implementation of an asset verification program in advance of the deadline otherwise established under such subparagraph.

(4) EXEMPTION OF TERRITORIES.—This section shall only apply to the 50 States and the District of Columbia.

(b) ASSET VERIFICATION PROGRAM.—

(1) IN GENERAL.—For purposes of this section, an asset verification program means a program described in paragraph (2) under which a State—

(A) requires each applicant for, or recipient of, medical assistance under the State plan under this title on the basis of being aged, blind, or disabled to provide authorization by such applicant or recipient (and any other person whose resources are required by law to be disclosed to determine the eligibility of the applicant or recipient for such assistance) for the State to obtain (subject to the cost reimbursement requirements of section 1115(a) of the Right to Financial Privacy Act but at no cost to the applicant or recipient) from any financial institution (within the meaning of section 1101(1) of such Act) any financial record (within the meaning of section 1101(2) of such Act) held by the institution with respect to the applicant or recipient (and such other person, as applicable), whenever the State determines the record is needed in connection with a determination with respect to such eligibility for (or the amount or extent of) such medical assistance; and

(B) uses the authorization provided under subparagraph (A) to verify the financial resources of such applicant or recipient (and such other person, as applicable), in order to determine or redetermine the eligibility of such applicant or recipient for medical assistance under the State plan.

(2) PROGRAM DESCRIBED.—A program described in this paragraph is a program for verifying individual assets in a manner consistent with the approach used by the Commissioner of Social Security under section 1631(e)(1)(B)(ii).

(c) DURATION OF AUTHORIZATION.—Notwithstanding section 1104(a)(1) of the Right to Financial Privacy Act, an authorization provided to a State under subsection (b)(1) shall remain effective until the earliest of—

(1) the rendering of a final adverse decision on the applicant's application for medical assistance under the State's plan under this title;

(2) the cessation of the recipient's eligibility for such medical assistance; or

(3) the express revocation by the applicant or recipient (or such other person described in subsection (b)(1), as applicable) of the authorization, in a written notification to the State.

(d) TREATMENT OF RIGHT TO FINANCIAL PRIVACY ACT REQUIREMENTS.—

(1) An authorization obtained by the State under subsection (b)(1) shall be considered to meet the requirements of the Right to Financial Privacy Act for purposes of section 1103(a) of such Act, and need not be furnished to the financial institution, notwithstanding section 1104(a) of such Act.

(2) The certification requirements of section 1103(b) of the Right to Financial Privacy Act shall not apply to requests by the State pursuant to an authorization provided under subsection (b)(1).

(3) A request by the State pursuant to an authorization provided under subsection (b)(1) is deemed to meet the requirements of section 1104(a)(3) of the Right to Financial Privacy Act and of section 1102 of such Act, relating to a reasonable description of financial records.

(e) REQUIRED DISCLOSURE.—The State shall inform any person who provides authorization pursuant to subsection (b)(1)(A) of the duration and scope of the authorization.

(f) REFUSAL OR REVOCATION OF AUTHORIZATION.—If an applicant for, or recipient of, medical assistance under the State plan under this title (or such other person described in subsection (b)(1), as applicable) refuses to provide, or revokes, any authorization made by the applicant or recipient (or such other person, as applicable) under subsection (b)(1)(A)

for the State to obtain from any financial institution any financial record, the State may, on that basis, determine that the applicant or recipient is ineligible for medical assistance.

(g) USE OF CONTRACTOR.—For purposes of implementing an asset verification program under this section, a State may select and enter into a contract with a public or private entity meeting such criteria and qualifications as the State determines appropriate, consistent with requirements in regulations relating to general contracting provisions and with section 1903(i)(2). In carrying out activities under such contract, such an entity shall be subject to the same requirements and limitations on use and disclosure of information as would apply if the State were to carry out such activities directly.

(h) TECHNICAL ASSISTANCE.—The Secretary shall provide States with technical assistance to aid in implementation of an asset verification program under this section.

(i) REPORTS.—A State implementing an asset verification program under this section shall furnish to the Secretary such reports concerning the program, at such times, in such format, and containing such information as the Secretary determines appropriate.

(j) TREATMENT OF PROGRAM EXPENSES.—Notwithstanding any other provision of law, reasonable expenses of States in carrying out the program under this section shall be treated, for purposes of section 1903(a), in the same manner as State expenditures specified in paragraph (7) of such section.