

## **Table of Contents**

**State/Territory Name: Arkansas**

**State Plan Amendment (SPA) #: 13-23**

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  
Dallas Regional Office  
1301 Young Street, Suite 833  
Dallas, Texas 75202



**DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI**

December 12, 2013

Our Reference: SPA-AR-13-23

Dr. Andrew Allison  
State Medicaid Director  
Arkansas Department of Health and Human Services  
P.O. Box 1437  
Little Rock, Arkansas 72203

Dear Dr. Allison:

We have reviewed the proposed amendment to your Medicaid State Plan submitted under Transmittal Number (TN) 13-23. With the approval of TN 13-23, the state will use an external contractor to implement its Asset Verification System.

Transmittal Number 13-23 is approved with an effective date of October 1, 2013, as requested. A copy of the HCFA-179, Transmittal No. 13-23 dated September 30, 2013 is enclosed along with the approved plan pages.



If you have any questions, please contact Stacey Shuman at (214) 767-6479.

Sincerely,

A black rectangular redaction box covers the signature of Bill Brooks.

Bill Brooks  
Associate Regional Administrator  
Division of Medicaid and Children's Health

Enclosure

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>  <b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>		1. TRANSMITTAL NUMBER:  2013-023	2. STATE  ARKANSAS
		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  October 1, 2013	
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: 1940(a) 1940(b)(2)		7. FEDERAL BUDGET IMPACT: a. FFY 2014                      \$6,795,000 b. FFY 2015                      \$6,804,000	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Supplement 16 to Attachment 2.6-A, Pages 2-4		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT <i>(If Applicable)</i> :  None, New Pages	
10. SUBJECT OF AMENDMENT: The state will hire a contractor to implement an Asset Verification System.			
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:  Division of Medical Services PO Box 1437, Slot S295 Little Rock, AR 72203-1437  Attention: Glenda Higgs	
13. TYPED NAME: Andrew Allison, PhD			
14. TITLE: Director, Division of Medical Services			
15. DATE SUBMITTED: September 30, 2013			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: September 30, 2013		18. DATE APPROVED: December 12, 2013	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2013		20. SIGNATURE OF REGIONAL OFFICIAL:  	
21. TYPED NAME:  Bill Brooks		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS:			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Arkansas

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: Arkansas  
Date Received: 9/30/13  
Date Approved: 12/12/13  
Date Effective: 10/1/13  
Transmittal Number: 13-23

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Arkansas

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.

TN No. 13-23

Approval Date 12/12/13

Effective Date 10/1/13

Supersedes TN No. New Page

State: Arkansas  
Date Received: 9/30/13  
Date Approved: 12/12/13  
Date Effective: 10/1/13  
Transmittal Number: 13-23

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Arkansas

ASSET VERIFICATION SYSTEM

3. Provide the AVS implementation description and other information requested for the implementation approach checked in Section 2.

**Arkansas Department of Human Services intends to implement an AVS system and is currently working with Health Management Systems (HRS) to develop and implement an AVS system.**

State: Arkansas  
Date Received: 9/30/13  
Date Approved: 12/12/13  
Date Effective: 10/1/13  
Transmittal Number: 13-23