

## **Table of Contents**

**State/Territory Name: IL**

**State Plan Amendment (SPA) #: IL-16-0001**

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  
233 North Michigan Avenue, Suite 600  
Chicago, Illinois 60601-5519



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June 9, 2016

Felicia Norwood, Director  
Illinois Department of Healthcare and Family Services  
Prescott E. Bloom Building  
201 South Grand Avenue East  
Springfield, Illinois 62763-0001

Attn: Teresa Hursey

Dear Ms. Norwood:

Enclosed for your records is an approved copy of the following State Plan Amendment.

Transmittal #16-0001 – Asset Verification System

– Effective Date: July 1, 2017

If you have any questions, please have a member of your staff contact Courtenay Savage at 312-353-3721 or via email at [Courtenay.Savage@cms.hhs.gov](mailto:Courtenay.Savage@cms.hhs.gov).

Sincerely,

/s/

Ruth A. Hughes  
Associate Regional Administrator  
Division of Medicaid and Children's Health Operations

Enclosure

cc: Pat Curtis, HFS  
Avery Dale, HFS

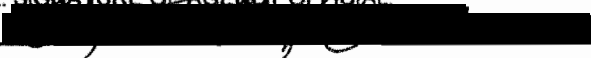
<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER 16-0001	2. STATE: ILLINOIS
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE July 1, 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 Section 1940(a) of the Social Security Act	7. FEDERAL BUDGET IMPACT a. FFY 2017 \$ 4.25 million 0.420 m b. FFY 2018 \$ 1.8 million 1.1 m
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Supplement 16 to Attachment 2.6-A pp. 1-3	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): N/A
10. SUBJECT OF AMENDMENT  Illinois Asset Verification System SPA	

11. GOVERNOR'S REVIEW (Check One)  <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	<input checked="" type="checkbox"/> OTHER, AS SPECIFIED Not submitted for review by prior approval.
12. SIGNATURE OF AGENCY OFFICIAL: 	18. RETURN TO  ILLINOIS DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES 201 SOUTH GRAND AVENUE, 3 <sup>rd</sup> Floor SPRINGFIELD, IL 62763-0002 ATTENTION: Pat Curtis, Chief Bureau of Medical Eligibility Policy
13. TYPED NAME Felicia Norwood	
14. TITLE DIRECTOR	
15. DATE SUBMITTED  03-31-2016	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 3-31-16	18. DATE APPROVED: 6/9/16
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 7-1-17	20. SIGNATURE OF REGIONAL OFFICIAL: /s/
21. TYPED NAME Ruth A. Hughes	22. TITLE: Associate Regional Administrator
23. REMARKS:	

STATE PLAN UNDER TITLE XIX OF THE *SOCIAL SECURITY ACT*State: Illinois

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## 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: Illinois

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## ASSET VERIFICATION SYSTEM

## 2. System Development

a) The agency itself will develop AVS.

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

**X** 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: Illinois

## 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.

Illinois will seek a vendor to develop an electronic AVS for verifying the resources of AABD clients and applicants. The Department of Healthcare and Family Services plans to rely on the chosen vendor to ensure that financial institutions fully participate in the AVS process. In addition to meeting the federal AVS rules and requirements, HFS will expect the chosen vendor to interface with Illinois' Integrated Eligibility System in order to maximize the efficiency and effectiveness with which asset verifications can be communicated for eligibility processing and to minimize the manual effort of caseworkers.