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State/Territory Name: Tennessee

State Plan Amendment (SPA) #: 18-0003

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
Atlanta Regional Office
61 Forsyth Street, Suite 4T20
Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

December 3, 2018

Wendy Long, MD
Director, Division of TennCare
Deputy Commissioner
Tennessee Department of Finance and Administration
310 Great Circle Road
Nashville, TN 37243

Re: Tennessee State Plan Amendment, Transmittal # 18-0003

Dear Dr. Long:

We have reviewed the proposed Tennessee State Plan Amendment 18-0003, which was submitted to the Atlanta Regional Office on October 12, 2018. The SPA was submitted to provide for the development and implementation of an Asset Verification System (AVS) to determine or redetermine eligibility for aged, blind, and disabled TennCare applicants and recipients.

Based on the information provided, the Medicaid State Plan Amendment 18-0003 was approved on December 1, 2018. The effective date of this SPA is January 12, 2019. We are enclosing the approved HCFA-179 and the plan pages.

If you have any additional questions or need further assistance, please contact Tandra Hodges at 404-562-74099 or by email at Tandra.Hodges@cms.hhs.gov.

Sincerely,

/s/

Shantrina D. Roberts, MSN
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures

| | | | |
|---|--|--|-----------------------|
| TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION | | 1. TRANSMITTAL NUMBER: TN-18-0003 | 2. STATE TENNESSEE |
| | | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) | |
| TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES | | 4. PROPOSED EFFECTIVE DATE January 12, 2019 | |
| 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 x <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: a. FFY 2019 \$1,063,250.00 b. FFY 2020 \$639,750.00 | |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement 16 to Attachment 2.6-A, pages 1 through 3. | | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): New Pages | |
| 10. SUBJECT OF AMENDMENT: Asset Verification System (AVS) | | | |
| 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: //s// | | 16. RETURN TO: Tennessee Department of Finance and Administration Division of Health Care Finance and Administration Bureau of TennCare 310 Great Circle Road Nashville, Tennessee 37243 Attention: George Woods | |
| 13. TYPED NAME: Wendy Long | | | |
| 14. TITLE: Director, Bureau of TennCare | | | |
| 15. DATE SUBMITTED: 10/12/18 | | | |
| FOR REGIONAL OFFICE USE ONLY | | | |
| 17. DATE Received: 10/12/18 | | 18. DATE APPROVED: 12/01/18 | |
| PLAN APPROVED – ONE COPY ATTACHED | | | |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL: 01/12/19 | | 20. SIGNATURE OF REGIONAL OFFICIAL: /s/ | |
| 21. TYPED NAME: Shantrina Roberts | | 22. TITLE: Acting Associate Regional Administrator Division of Medicaid & Children Health Opns | |
| 23. REMARKS: Approved with following changes to Block #8: Block #8 changed to read: Attachment 4.19-B item 12a, 1 of 5, 2 of 5, 3 of 5, 4 of 5, 5 of 5. | | | |

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

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.

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Approval Date: 12/01/2018

Effective Date: 1/12/19

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

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.

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

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.

Tennessee's AVS is designed to interface with the state's eligibility determination system, known as the Tennessee Eligibility Determination System (TEDS). The AVS will be implemented in phases with TEDS.

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