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State/Territory Name: Puerto Rico

State Plan Amendment (SPA) #: 26-0002

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Form CMS-179
- 3) Approved SPA pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

June 16, 2026

Carlos A. Santiago Rosario
Medicaid Director
Puerto Rico Department of Health
P.O. Box 70184
San Juan, PR 00936-8184

Re: State Plan Amendment (SPA) - PR-26-0002

Dear Director Santiago:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 26-0002. Puerto Rico is submitting this State Plan Amendment to comply with Section 5101 of the Consolidated Appropriations Act of 2023. This amendment describes the Asset Verification System that will be used by the Puerto Rico Medicaid Program.

We conducted our review of your submittal in accordance with the statutory requirements of Title XIX of the Social Security Act and section 1940. This letter confirms you that Puerto Rico's Medicaid SPA TN 26-0002 was approved on June 16, 2026, with an effective date of January 1, 2026.

Enclosed are copies of Form CMS-179 and the approved State Plan Amendment pages to be incorporated into the Puerto Rico State Plan.

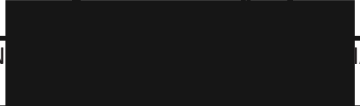

If you have any questions, please contact Ivelisse Salce at (212) 616-2411 or by email at Ivelisse.Salce@cms.hhs.gov

Sincerely,

A solid black rectangular box redacting the signature of Nicole McKnight.

Nicole McKnight
Acting Director, Division of Program Operations

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTER FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER <u>2</u> <u>6</u> — <u>0</u> <u>0</u> <u>02</u>	2. STATE Puerto Rico
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) 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 Jan. 1, 2026	
5. TYPE OF PLAN MATERIAL (Check One) <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO 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 Section 1940 of the Social Security Act	7. FEDERAL BUDGET IMPACT a. FFY <u>2026</u> \$ <u>(5,793,674)</u> b. FFY <u>2027</u> \$ <u>(17,882,564)</u>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Supplement 16 to Attachment 2.6-A, Pages 1-3	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) New	
10. SUBJECT OF AMENDMENT As required by Section 5101 of the Consolidated Appropriations Act of 2023, Puerto Rico is submitting this amendment to describe the Asset Verification System that will be implemented and operated by the Puerto Rico Medicaid Program.		
11. GOVERNOR'S REVIEW (Check One) <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Designated to the State Medicaid Director <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		
12. SIGNATURE 	16. RETURN TO PUERTO RICO MEDICAID PROGRAM PUERTO RICO DEPARTMENT OF HEALTH PO BOX 70184 SAN JUAN PR 00936-8184	
13. TYPE Carlos Santiago Rosario		
14. TITLE Executive Medicaid Director		
15. DATE SUBMITTED 3/20/2026		
FOR REGIONAL OFFICE USE ONLY		
17. DATE RECEIVED 03/20/2026	18. DATE APPROVED 06/16/2026	
PLAN APPROVED – ONE COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL 01/01/2026	20. 	
21. TYPED NAME Nicole McKnight	22. TITLE Acting Director, Division of Program Operations	
23. REMARKS		

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: PUERTO RICO

ASSET VERIFICATION SYSTEM

Section 1940(a)

1. The agency will provide for the verification of assets for of the Act 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: PUERTO RICO

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: PUERTO RICO

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.

The Puerto Rico Medicaid Program (PRMP) has competitively procured a vendor to establish an Asset Verification System (AVS), which will search for and provide verification of assets owned by Medicaid applicants and/or their spouses and any other person whose resources are required by law to be disclosed to determine eligibility, in compliance with section 1940 of the Social Security Act. Additionally, PRMP and the AVS vendor will collectively ensure that the asset verification process, once implemented, complies with the requirements of the Fair Credit Reporting Act 15 U.S.C. § 1681 (FCRA).

The AVS will electronically verify accounts and assets held in financial institutions owned by the applicant and/or the applicant's spouse and any other person whose resources are required by law to be disclosed to determine eligibility for the month of the application and a 60-month transfer of assets look-back period, when applicable.

The vendor will utilize one integrated system to find and verify assets.