Reasonable Compatibility for Asset Verification

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Agenda

- Background
- Policy Changes
- Systems Changes
- Next steps

Background

- Federal law requires states to implement an automated system for verifying assets for Medicaid.
- On June 23, 2018, DHS implemented a new integrated Asset Verification System (AVS) that obtains financial institution data through a third-party vendor.
- CMS recently provided guidance that AVS data is subject to a "reasonable compatibility" test.
 - If information from AVS would result in a termination or denial, verification must be requested from the member.

Background, continued

- Effective March 2, 2019, CARES will:
 - Separately track self-reported and AVS-reported asset amounts.
 - Apply a "reasonable compatibility" test to determine if verification of assets is required.
 - Automatically send AVS requests when changes are reported on AVS liquid asset types.
- Our goal is to comply with federal requirements while minimizing changes to the current process.

What has not changed?

- Overall process and timelines for sending, receiving, and matching AVS requests.
- Information returned by financial institutions.
- When and how asset information is shown on the VCL.

Policy Changes

Policy Changes

- AVS data may only be used to verify memberreported information if the amounts match exactly.
- If they do not match exactly (and the asset is not already verified through other methods), a reasonable compatibility test will be applied.
 - If the member reports being over the asset limit, eligibility will be denied without verification.
 - If AVS data and member-reported information both result in eligibility, verification may not be requested.
 - If AVS data shows that the person is over the asset limit, but the member reports being under the limit, verification must be requested.

Policy changes, continued

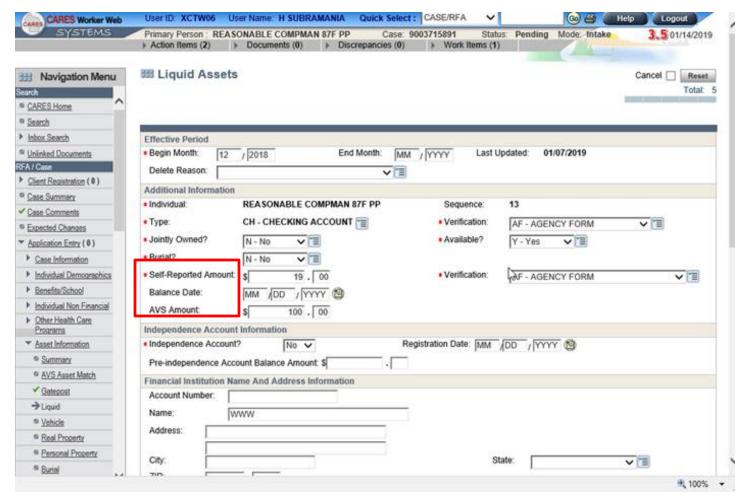
- AVS data may no longer be used to verify burial assets or annuities.
 - AVS may still indicate undisclosed assets of these types.
- An AVS request will be sent automatically if a change is reported to an AVS liquid asset or a new asset is added on the case.
- Reasonable compatibility will be applied separately to Medicare Savings Programs (MSP).
 - Someone could be not reasonably compatible for EBD Medicaid but be reasonably compatible for MSP.

Systems Changes

Systems Changes – Liquid Asset Page

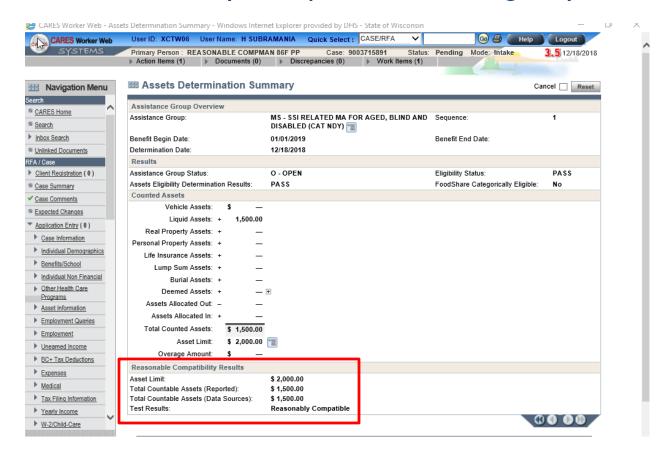
- "Asset Amount" field updated to "Self-Reported Amount"
- 2 new fields added
 - AVS Amount
 - Auto-populated during the AVS asset matching process
 - Balance Date
 - Enabled if there is Health Care or MSP request
 - Used to help workers track whether AVS data or memberverified data is more recent.

System Changes – Liquid Asset Page



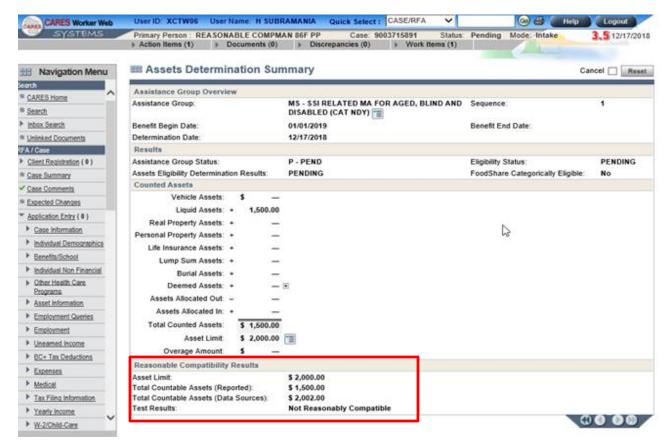
System Changes – Assets Determination Summary Page

- Reasonable Compatibility Results section is added
- If assets are Reasonably Compatible, assets eligibility results will pass



System Changes – Assets Determination Summary Page

 If assets are Not Reasonably Compatible, assets eligibility results will pend



Next steps

Next Steps

- Operations Memo: new and amended Operations Memos planned for February 15, 2019
- Recorded demo: planned for the week of February 25, 2019
- Training:
 - A new training is anticipated to be published on February 18, 2019.
 - Information about the training to be shared at the January IMAC Training Subcommittee.