

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR**

ACTION REFERRAL

TO	DATE
<i>Wells</i>	<i>4-29-09</i>

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000612</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Ms. Forlener, CMS file Cheryl Steyer, letter attached</i>	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____ <input type="checkbox"/> FOIA DATE DUE _____ <input checked="" type="checkbox"/> Necessary Action

APPROVALS <small>(Only when prepared for director's signature)</small>	APPROVE	* DISAPPROVE <small>(Note reason for disapproval and return to preparer.)</small>	COMMENT
1.			
2.			
3.			
4.			

Department of Health & Human Services
Centers for Medicare & Medicaid Services
61 Forsyth St, Suite 4120
Atlanta, Georgia 30303-8909



April 20, 2009

Ms. Emma Forkner, Director
South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29202-8206

Re: South Carolina Title XIX State Plan Amendment, Transmittal # 09-004

Dear Ms. Forkner:

We have reviewed South Carolina's State Plan Amendment 09-004, which was submitted to the Atlanta Regional Office on March 3, 2009. This State Plan Amendment is regarding the implementation of the Asset Verification System (AVS).

Based on the information provided, we are pleased to inform you that South Carolina State Plan Amendment 09-004 was approved on April 14, 2009. The effective date is September 30, 2009. The signed CMS-179 and the approved plan pages are enclosed. If you have any questions regarding this amendment, please contact Tandra Hodges at (404) 562-7409.

Sincerely,

A handwritten signature in black ink, appearing to read "Mary Kaye Justis".

Mary Kaye Justis, RN, MBA
Acting 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:
SC 09-004

2. STATE
South Carolina

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE
September 30, 2009

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

6. FEDERAL STATUTE/REGULATION CITATION: COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

7. FEDERAL BUDGET IMPACT:

a. FFY 2009 \$To Be Determined
b. FFY 2010 \$To Be Determined

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement 16 to ATTACHMENT 2.6-A, Pages 1, 2 & 3

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):
None

10. SUBJECT OF AMENDMENT:
Implement the Asset Verification System (AVS)..

11. GOVERNOR'S REVIEW (Check One):
 GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
 OTHER, AS SPECIFIED:
 Ms. Forkner was designated by the Governor to review and approve all State Plans

12. SIGNATURE OF STATE AGENCY OFFICIAL:

16. RETURN TO:

13. TYPED NAME: *Emma Forkner*
 Emma Forkner
 South Carolina Department of Health and Human Services
 Post Office Box 8206
 Columbia, SC 29202-8206

14. TITLE:
Director

15. DATE SUBMITTED:
March 3, 2009

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: *03/03/09*

18. DATE APPROVED: *04/04/09*

19. EFFECTIVE DATE OF APPROVED MATERIAL: *09/30/09*

PLAN APPROVED - ONE COPY ATTACHED

20. SIGNATURE OF REGIONAL OFFICIAL:

TYPED NAME:

Mary Kaye Jusis, RN, MBA

22. TITLE:

Acting Associate Regional Administrator
 Division of Medicaid & Children's Health Opns

REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Carolina

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 as determined by the State.

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Carolina

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.

 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.

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: South Carolina

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.

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