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To: Eligibility Services – Regional Directors
Program Managers
Eligibility Services Supervisors
Regional Attorneys
Hearings Officers

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Subject: Asset Verification System (AVS)

HHSC is implementing the Asset Verification System (AVS) in phases. This bulletin will be released to staff as their Region is scheduled for AVS implementation.

This bulletin is sent to supervisors and other regional managers. Supervisors must share this information with staff working in offices that have implemented AVS. Please ensure copies are provided to staff that do not have access to e-mail. If you have any questions regarding the policy information in this bulletin, follow regional procedures. Active bulletins are posted on the Medicaid for the Elderly and People with Disabilities (MEPD) handbook website at http://www.dads.state.tx.us/handbooks/mepd_policy/index.htm.

Asset Verification System (AVS)

Background

Federal law requires states to implement an online Asset Verification System (AVS) for the purposes of determining or redetermining an individual's eligibility for medical assistance on the basis of being aged, blind, or disabled. Individuals whose assets are used to determine or redetermine eligibility may authorize the Health and Human Services Commission (HHSC) to obtain electronic records from any financial institution.

Current Policy

Currently, HHSC staff verify financial assets reported by an individual at application, renewal, and request for a program transfer, using information provided by the individual or obtained from the individual's financial institution. HHSC staff do not have the ability to identify financial assets that are not reported by the individual.

New Policy

AVS is used to request and display an individual's financial assets. HHSC staff must use at application, renewal, and request for a program transfer for the following programs:

- Institutional Programs:
 - State Group Home (TA 12 ME),
 - State School (TP 10 ME),
 - Non-State Group Home (TP 15 ME),
 - State Supported Living Center (TP 16 ME),
 - Nursing Facility (TP 17 ME);
- Waiver Programs (TA 10 ME);
- Program of All-Inclusive Care for the Elderly (PACE) (TA 10 ME);
- Retirement, Survivors, and Disability Insurance (RSDI) Cost of Living Adjustment (COLA) Increase Programs:
 - Pickle (TP 03 ME),
 - Disabled Adult Child (TP 18 ME),
 - Disabled Widow(er) (TP 21 ME),
 - Early Aged Widow(er) (TP 22 ME); and
- Medicaid Buy-In (MBI) Program – (TP 87 ME).

The AVS requirement is **not** applicable to the following programs:

- Medicare Savings Programs (MSP):
 - Specified Low-Income Medicare Beneficiaries (SLMB) (TP 23 MC),
 - Qualified Medicare Beneficiaries (QMB) (TP 24 MC),
 - Qualified Disabled and Working Individuals (QDWI) (TP 25 MC);
 - Qualifying Individuals (QI-1) (TP 26 MC);
- Community Attendant Services (CAS) (TP 14 ME);
- Medicaid Buy-In for Children (MBIC) (TP 88 ME);
- Emergency Medicaid for Aliens (TP 30 ME);
- Supplemental Security Income (SSI) Prior Medical (TP 11 ME); or
- All Texas Works programs.

Information provided by AVS is not considered verification of assets. Staff must follow existing policy on how to verify financial assets (MEPDH F-4120, Bank Accounts).

AVS Consent

Before requesting AVS, staff must receive consent from individuals whose assets are evaluated as part of the eligibility determination for Medicaid on the basis of age (65 or older), blindness, or disability. These individuals may include:

- The individual, (or the individual's legal guardian, power of attorney, or authorized representative);
- Parents whose resources are deemed to a minor child;
- A spouse whose resources are deemed to the individual; and
- The community spouse for spousal impoverishment cases.

Individuals provide consent by completing and signing the revised Form [H0003](#), Agreement to release your facts (Revision Date 08/2015). Staff must only request AVS for an individual who has provided a signed revised Form H0003.

Note: The previous Form H0003, Authorization to Furnish Information, is not considered valid consent for requesting AVS.

AVS Consent at Application

A new copy of the revised Form H0003, Agreement to release your facts, is required prior to requesting AVS at each new application. If the revised Form H0003 is not submitted with the application, staff sends Form H1020, Request for Information or Action, and explains that the signed revised Form H0003 is needed to determine eligibility. Staff pend the case for receipt of the signed revised Form H0003, and if applicable, any other required verification needed to determine eligibility.

AVS Consent at Renewal or Request for a Program Transfer

A previously signed revised Form H0003, Agreement to release your facts, remains valid until:

- An application for benefits is denied,
- Benefits are terminated, or
- The individual submits a request in writing withdrawing consent.

For requests for program transfers, a signed revised Form H0003 is required when an individual is transferred from:

- A non-AVS applicable program to an AVS applicable program; or
- The MBIC program to an institutional or waiver program.

For renewals and program transfer requests, if the revised Form H0003 is not on file, staff sends Form H1020 requesting a signed revised Form H0003 and any other verification needed to complete the renewal or program transfer.

AVS Requests

If the revised Form H0003 and any other required verification are returned during an application, renewal, or program transfer, staff must run the Eligibility Determination Benefit Calculation (EDBC) but not dispose the case.

- If the applicant meets all eligibility factors, staff must initiate the AVS request through Data Broker and view the response.
- If the applicant does not meet all eligibility factors, staff must not initiate an AVS request, and must deny the case.

If an applicant fails to return the revised Form H0003, staff must **not** access AVS. Staff should process the case using the information provided by the individual following current policy and procedures.

If AVS information is consistent with the client-provided information, staff must document in case comments the date AVS was accessed and that no new or inconsistent information was identified, and dispose the case. No further action is required for processing eligibility.

If AVS information is new or inconsistent with the client-provided information, staff must return to the **Liquid Resources-Details Logical Unit of Work** and enter the new information or update the existing resource record. If the individual is potentially ineligible due to the AVS information, staff must pend the case and send Form H1020 to the individual requesting verification of the new or inconsistent information.

If the requested information is:

- Received within the appropriate timeframes, staff must enter any new information provided by the individual, re-run EDBC, and dispose the case. If the individual is determined ineligible based on the new information, staff must deny the case using the appropriate AVS denial code.
- Not received within the appropriate timeframes, staff must deny the case using one of the AVS denial reason codes. Staff must not use the denial code for Failure to Provide Information.

Streamlined/Passive Renewals

AVS-applicable Types of Assistance (TOAs) are not eligible for passive renewal.

Look Back Period

For all AVS-applicable TOAs, staff must request AVS information for a 60-month look-back period for:

- all initial applications, and
- at the first annual redetermination or program transfer request after AVS implementation.

Note: If AVS was previously accessed, staff must request new AVS information only for the months between the last AVS response and the current transaction date.

Forms/Notices

Form H0003

Form H0003, Authorization to Furnish Information, allowed HHSC to request information from a collateral source when determining eligibility. Form H0003, Authorization to Furnish Information, has been replaced with Form H0003, Agreement to release your facts, as of 8/2015. The revised Form H0003 now also allows HHSC to electronically request the financial information of individuals whose assets are considered in the eligibility determination.

Form H1020

The existing Form H1020, Request for Information or Action, is used when requesting a revised signed Form H0003 to provide consent to request AVS information. Form H1020 will display the following message when consent for AVS is requested:

Fill out and send us the agreement to release your facts (Form H0003 that came with this letter). Don't forget to sign the form. Other people who must sign the form include a 1) spouse 2) guardian 3) person with power of attorney and 4) person that has the right to help you (an authorized representative).

TF0001

If an individual is denied based on information discovered by AVS or for failure to provide verification of new or inconsistent AVS information, staff must use one of the following denial reason codes. The TF0001, Notice of Case Action, will include specific information on the source that provided the information resulting in the adverse action.

The following new denial reasons were created for AVS-applicable TOAs and will display on the TF0001:

Denial Due to Excess Resources Discovered Through AVS

If the asset was reported by the applicant but the information displayed through AVS revealed the value of the asset to be greater than what program rules allow, the following text will be included on the TF0001:

We checked online sources and found that the amount of money in your banks and other accounts are more than allowed by program rules.

If the asset was not reported by the applicant, the following text will be included on the TF0001:

We checked online sources and found that you have money in banks or other accounts, but that money wasn't listed on the application for benefits. The amount of money you have is more than allowed by program rules.

A new mandatory question was added to the **Liquid Resources - Details** page: "Has the resource been disclosed by client?" The answer to this question is used to determine which denial statement is used on the TF0001.

Denial Due to Transfer of Assets Discovered Through AVS - Only for Waiver Programs and State Supported Living Center Services

If the AVS information indicates a transfer that results in denial of benefits, the following text will be included on the TF0001:

Firstname Lastname said they gave away money that was in a bank or other account that we found through online sources.

Automation

TIERS automation changes to include questions and functionality to support AVS were implemented with Release 94 (September 2015). A new AVS data exchange was created through Data Broker. Information and a link to the revised Form H0003 were added to YourTexasBenefits.com for health care applications based on age, blindness, or disability.

Effective Date

Changes to policy are effective upon AVS implementation in your Region.

Handbook

The MEPD Handbook will be updated after statewide implementation of AVS is complete. Staff will be informed when the MEPD Handbook is updated.

Training

Training will be presented as part of a web-based course titled "Course R94-11: Asset Verification System for MEPD Resources" and will be provided to staff based on the AVS implementation schedule.