Asset Verification Service (AVS)
DHS/Aging and People with Disabilities
January 1, 2019

This document introduces Oregon's Asset Verification Service (AVS) for OSIPM (not including non-services Assumed Eligible) and long-term care programs (including MAGI and Assumed Eligible) and provides instructions for staff determining financial eligibility about when and how to use information from AVS.

Effective January 1, 2019, AVS results will be used to verify liquid assets and real property, discover potentially undisclosed assets, and review asset history for potential disqualifying transfers.

BACKGROUND

The OSIPM (not including non-services Assumed Eligible) and long-term care programs (including MAGI and Assumed Eligible) require verification of countable assets. This verification has typically been provided by the applicant or requested by staff determining financial eligibility.

The federal Supplemental Appropriations Act of 2008 requires states to implement an automated system for verifying assets for the Aged, Blind and Disabled Medicaid programs. This new AVS is intended to streamline the asset verification process and meet federal Medicaid requirements for automated verification of assets.

OVERVIEW OF THE NEW ASSET VERIFICATION SERVICE

AVS is a data exchange that requests information about an applicant and his or her spouse's liquid assets through Acuity, a national network of financial institutions, and real property assets through Lexis Nexis, a global public records provider, and returns this information directly to AVS.

When AVS receives the request for a given person, Accuity will conduct two data matching processes. First, it will query the 10 to 15 largest financial institutions in the U.S. for that person's liquid assets. Second, it will query the 20 to 30 financial institutions at which the person is most likely to have assets based on the person's zip code and other factors.

AVS only reports on financial accounts held in banking institutions, and cannot be used to verify stocks, bonds, securities, and mutual funds purchased through a brokerage firm, or life insurance policies and annuity products issued by insurance companies.

Nationwide property searches will be conducted by Lexis Nexis based on identity and property information input into the Web Portal. Lexis Nexis uses the information entered into AVS to conduct a nationwide search of public records for any properties owned, sold, or purchased by the applicant and/or spouse within the look-back period.

AVS will report asset information within a specific look-back period based on the program type and whether the request is for a new application, a redetermination, or some limited changes.
- For new medical-only applications, the look-back period is four (4) months. This allows for retroactive eligibility.
- For new Long-term care requests, the look-back period is sixty (60) months.
- For redeterminations and limited changes, the look-back period is twelve (12) months.

There are two methods for requesting AVS information.
- For new applications and limited changes, such as when a person is added to a case, staff must manually initiate an AVS request. This is referred to as an "Ad-hoc" request.
- For redeterminations, a batch request will be submitted from central office.
- Staff that determine financial eligibility will use AVS to view and initiate AVS requests. Staff must check AVS before submitting a new request to avoid duplicate requests.

The following Policy and Procedures apply to all APD and AAA staff.

For this document, applicant will be used to describe both new applicants as well as those currently receiving benefits whose eligibility must be re-determined.

POLICY

AVS should only be used to verify assets for Aged, Blind and Disabled Medicaid program applicants at initial application, redetermination, and for some limited changes. AVS requests will be submitted even when an applicant reports having no assets or reports total assets under $400 to determine if there are any undisclosed assets. AVS is not used to verify income, only resources.

AVS requests are only submitted for applicants and their spouses applying for or receiving OSIPM benefits.
AVS information must be requested for the following programs at application, renewal, and limited changes in circumstances:
- OSIPM (not including Assumed Eligible individuals unless applying for or receiving LTC Services).
- Long- Term Care Services (including MAGI and Assumed Eligible individuals).
    - LTC Services – MAGI and Assumed Eligible individuals are not part of the redetermination batch process.
    - You must initiate a manual (Ad-Hoc) request at redetermination for MAGI – LTC individuals.
    - Don't request AVS for Assumed Eligible Individuals at redetermination. SSA is monitoring resources for Assumed Eligible Individuals.
    - For MAGI and Assumed Eligible Individuals, run AVS for limited changes only when applicable (e.g. run AVS for report of possible DQ, but don't run for Add a Spouse).

Note: For Aged, Blind, or Disabled SNAP households that are subject to an asset limit, staff should consider AVS data as information known to the agency. For example, staff should NOT request AVS for an applicant with SNAP benefits only.

Consent to access AVS is required and is a condition of eligibility for an applicant whose assets are considered in the financial eligibility determination for the Medicaid programs listed above. A person provides consent by submitting a signed 539A application which must be obtained prior to making an AVS request.

Note: The 539A, Rights and Responsibilities, has included language about AVS since 2009. Applications in the case file received after 2009 meet the requirement above.

An AVS request must be attempted prior to requiring an applicant to provide verification. This applies to information available to AVS. If an applicant reports

an asset that is not available to AVS, staff should request verification from the applicant (e.g. stocks, bonds, life insurance policies, annuities).

AVS typically receives 97 percent of responses from financial institutions within 10 days. During the first few months of operation in Oregon, additional responses may be received after 10 days.

The implementation of AVS does not change program requirements for when assets must be verified and how assets are counted for OSIPM and long-term care program eligibility. See the APD Worker Guide, Counting Client Assets, for more information.

USING AVS WHEN DETERMINING FINANCIAL ELIGIBILITY

For new applications and redeterminations, an AVS request should only be sent for people who meet all the following criteria:
- A signed 539A application has been received.
- The person is the primary person or primary person's spouse.
- The person is 18 years old or older.
- The person has a verified Social Security number.

AVS is an eligibility verification tool; it is not always the end of the verification process. More information may be required from the applicant to complete the financial eligibility determination. While the balances reported on AVS are determinative when approving benefits, staff must still request resource information from the applicant when reported resources do not match the results found by AVS.

In situations where resource information reported by AVS would make the applicant ineligible, staff must request documentation from the applicant for review before issuing an approval, denial, reduction, or closure of benefits. If the applicant doesn't provide the requested documentation, the case can be closed or denied for failure to provide the requested verification and for being over resources. If the applicant is receiving Medicare, consider MSP before denying or ending benefits.

If an applicant provides verification of assets and all other information needed to make an eligibility determination has been verified, the case can be opened. However, staff will still submit an AVS request and take appropriate action based on the information returned. Staff may have to request additional documentation from the applicant, if necessary.

Paper documentation will be required in the following circumstances:

- When AVS does not return a response for a known bank account that was reported by the applicant. This is after not receiving a response from a directed account search.
- To further review transactions in months in which AVS identifies a potential disqualifying transfer of assets.
- For assets that cannot be verified through AVS. AVS only reports on financial accounts held in banking institutions, and cannot be used to verify stocks, bonds, securities, and mutual funds purchased through a brokerage firm, or life insurance policies and annuity products issued by insurance companies.
- In certain circumstances, when there is a discrepancy between information provided by the applicant and AVS that could result in ineligibility.

AVS results will provide the account balance as of the first minute of each month in the look-back period. Staff may need to ask the applicant the date their payment was deposited to determine if income should be deducted from the account balance.

- In most cases, income will deposit after AVS has been ran for that month. Because of this, staff will not have to subtract any income that was received during the month to determine the correct asset balance for that month.
- In some instances, the payment date may change due to a weekend or holiday. Staff may have to deduct the income to determine the correct asset balance for that month. This may require additional follow-up with the applicant.

If an applicant has provided verification of a more recent asset balance than what is returned by AVS (for example, by sending in bank statements), the most current verified balance for a given month should be used as verification for that month. Staff should process and act on the most recent account balance verification they have received. If an applicant is found ineligible and later provides verification that his or her account balance was lower at the end of the month, staff must update the case to reflect this change.

Staff must also use AVS results to identify **potential disqualifying transfers** by long-term care applicants and/or spouses. AVS will flag any result that may have a potential disqualifying transfer. This does not definitively mean that a disqualifying transfer occurred; staff must review the monthly balances to determine whether assets have been transferred. Using prudent judgment, determine whether the fluctuation in assets is normal or a significant discrepancy indicating a potential transfer of assets. If AVS results suggest a disqualifying transfer has occurred, staff should follow the current process for requesting verification from the applicant and/or spouse to determine if a disqualifying transfer penalty is appropriate. Staff should not use AVS results to

establish definitively that a disqualifying transfer has been made without contacting the applicant and/or spouse to request any necessary documentation.

The property information response will display the value of any current or previously owned properties within the look-back period. Both the market and assessed total value will display for any found property. No additional AVS request is required as each AVS request will search for both liquid and real property assets. AVS will not display the equity value of the property. Staff will have to request this information from the applicant.

The AVS Result column will indicate the applicant is either Over Resources, Under Resources or No Accounts Found. This is not the Medicaid eligibility determination. Eligibility is not tracked in AVS. Staff must apply the appropriate rules as the decision-maker in accordance with the Department's established resource limits, DQ criteria and countable value of properties and other assets.

Staff should not scan AVS documents into EDMS (Electronic Data Management System) as this information will be saved within AVS history. However, any paper documentation received must be scanned into EDMS.

NARRATION

Narration in Oregon Access should include:
- **AVS requested**
- **AVS Response -** Always narrate any information received by AVS that may impact eligibility
  - **If OSIPM Eligible narrate:**
    - AVS response received. AVS reflects applicant is within the OSIPM resource limit.
  - **If OSIPM Ineligible narrate:**
    - AVS response received. AVS reflects applicant is over the OSIPM resource limit. Pending notice sent on mm/dd/yy for verification of _____with due date of mm/dd/yy.
    - Narrate all information for liquid assets that makes the applicant ineligible:
      - Bank name
      - Account type (i.e. Checking, Savings)
      - Owner/Joint owner
      - Balance
      - Date of AVS result

- **Narrate all undisclosed or discrepant Real Property information:**
  - AVS response received. AVS reports undisclosed or discrepant Real Property information. Pending notice sent on mm/dd/yy for verification of _____with due date of mm/dd/yy.
    - Narrate the following AVS reported Real Property information:
      - Address
      - Owner/Joint owners
      - Real Market Value
      - Any changes in ownership within the look-back period

*Note: AVS doesn't return the equity value, therefore we don't know if the property makes the applicant ineligible for benefits.

USING AVS AT APPLICATION

Manually initiate an AVS Request for OSIPM (not including non-services Assumed Eligible) and Long-Term Care ((including MAGI and Assumed Eligible) applicants and their spouses using the AVS web portal Ad Hoc Request.

After an AVS request is submitted, set up a tickler in Oregon ACCESS for the **10th day after submission**. Most financial institutions will have responded by this point.

After 10 days, if the AVS response has not been received, set up another tickler for the **15th day**.

If there is no response **after the 15th day**:
- If the applicant reported not having any accounts, complete the eligibility determination.
- If the applicant reported an account, manually request paper verification.

Consideration of AVS Results

- When AVS results are consistent with the applicant's attested information:
  - Complete the eligibility determination

- When AVS results show an undisclosed account or inconsistent information, but the information does **not affect eligibility**:
  - Do not pend for verification.
  - For inconsistent information, leave the applicant's reported or verified information in Oregon Access.

- For undisclosed accounts, enter the new AVS information in Oregon Access.
- Complete the eligibility determination.

- When AVS results shows an undisclosed account or inconsistent information and the applicant is **potentially ineligible**:
  - Pend the case and request verification from the applicant before completing the eligibility determination.
  - If the applicant fails to provide verification of the undisclosed account or inconsistent information, enter the AVS information in the Oregon Access case and deny or close the case for failure to provide the requested verification and for being over resources. If the applicant is receiving Medicare, consider MSP before denying or ending benefits.

- When AVS returns undisclosed or discrepant real property:
  - Pend the case and request the appropriate verification.
  - AVS will not return equity value; therefore, we won't know if the property makes the applicant ineligible for benefits.

Once you have completed the OSIPM eligibility determination, close the AVS case by selecting the Closed/Withdraw option.

USING AVS AT REDETERMINATION

AVS redetermination requests will be sent automatically from Central Office at the beginning of the 11th month of the current eligibility period so that responses from AVS will be available to staff prior to the redetermination due date. For example, if the current eligibility period is January – December 2018, Central Office will submit an AVS request in November 2018. AVS will return monthly balances for December 2017 - November 2018

At each redetermination, staff should review AVS data from the previous 12 months to consider whether the recipient had changes in assets that should have been reported.

Note: At redetermination, a request to AVS will be submitted for OSIPM-1619(b) cases. If AVS results indicate the applicant is ineligible, do not pend for additional information or close the medical case. Rather, send a 538A referral to SSA to report the resource(s).

Consideration of AVS Results

Follow the same **Consideration of AVS Results** procedures as described above under "Using AVS at application".

USING AVS FOR CHANGES

Don't initiate an AVS request when an applicant reports a change in assets during the current eligibility period. Request verification from the applicant.

Request AVS for changes by using the "Renew" option.

Initiate an AVS request for OSIPM in the following situations:

- To add a spouse to an existing case. In this situation, staff should initiate an ad hoc request for the person being added.
- To process a redetermination early to align redetermination dates with another benefit program, such as SNAP.
- When there is a change in medical program (MSP to OSIPM or long-term care)
- When you have a reason to believe that a person on the case may have made a disqualifying transfer of resources or is over the asset limit. If the possible DQ is from the current month, wait to run AVS the following month.
- To process a redetermination in other situations where an AVS request was not sent automatically. For example, an AVS request may not be sent automatically for a redetermination if, as of the beginning of the prior month eligibility had ended or is scheduled to end in the next month. If the program later opens with the same redetermination date, staff must manually initiate an AVS request.

CLOSING THE AVS CASE

Once you have completed the OSIPM eligibility determination, close the AVS case by selecting the Closed/Withdrawn option. The AVS results are then placed into the "Eligibility History". This is an important step to ensure only cases being actively worked are in the case queue. AVS results moved to History are available to view any time in the future if needed for redetermination or case review.

RESULTS AFTER DECISION

Rarely, after an AVS request has been closed/withdrawn, additional information may be received. This is usually a late response from one or more banks being queried. Within AVS this is referred to as "Results After Decision". Local management will need to monitor the "Results After Decision" queue and assign staff for review. Staff should process these "Results After Decision" responses as part of the application or as a change report.

EXAMPLES

Example 1: Fern submitted a paper application for OSIPM. She listed she has a checking and savings account at People's State Bank and a money market account at Wells Fargo with a total balance of $1500. She provided bank statements as verification with the application. Staff processed the application and opened OSIPM benefits.   An AVS Ad-hoc request was submitted for Fern.

After receiving AVS results, staff found that, in addition to the three liquid asset accounts Fern reported and verified, AVS results showed a savings account at BMO Harris Bank that was not reported on the application.

Staff compared the AVS results with documentation Fern provided to determine which information was more recent. Since Fern provided bank statements for her checking, savings, and money market accounts that were more recent than AVS results, staff did not need to update the liquid asset pages in Oregon ACCESS. For the savings account at BMO Harris Bank, staff added the information to the case and narrated as verified through AVS. After eligibility was re-calculated, Fern remained eligible for OSIPM.

Example 2: Trevor and Emily, a married couple, completed a paper application for OSIPM. They reported Emily has checking and savings accounts at Summit Credit Union and listed balances for each on the application. The total amount of her reported liquid resources was $1800. Staff submitted an Ad-hoc requests to AVS for Trevor and Emily.

AVS results showed asset information for a checking and savings account at Summit Credit Union for both Trevor and Emily. Staff reviewed the information from AVS and determined they were potentially ineligible for benefits based on the AVS total account balances of $4500. Staff pended the application and requested verification of the account balances from the applicants.

Example 3: Steve completed a paper application for OSIPM. He reported he held checking and savings accounts at BMO Harris Bank with balances of $750 and $320. Staff submitted an Ad-hoc request to AVS for Steve.

AVS results showed higher balances than reported but still under the resource limit. Staff completed the eligibility determination and approved OSIPM benefits for Steve.

Example 4: Bob applies for OSIPM and reports having $100 in a Bank of America checking account. Bob shows staff a check displaying the account owner, the financial institution, and the account number. Staff receives a signed application and opens OSIPM benefits for Bob. Staff sent an AVS request on the day the application was received. AVS results show that Bob has $500 in his B of A account at the beginning of the month, plus a steady $25 in a US Bank account.
Staff adds the US Bank account to the Oregon Access case and narrates the actions. Although the information was inconsistent, the AVS report did not show that he was over the resource limit.

HOW TO SUBMIT AND AD-HOC REQUEST

From the AVS Case Queue Screen, click on **Tools** and select the **Ad-hoc Request** drop-down.

On the Ad-hoc Request screen enter all **mandatory fields** before selecting '**Run Request**'.

If a mandatory field is omitted the user will be blocked from submitting the request.

<u>Applicant Type:</u> Applicant or Spouse

The applicant type field defaults to "Applicant".

<u>Application or Renewal:</u>

Select Application or Renewal from drop-down list.

- Use **Application** for New applications
- Use **Renewal** for redeterminations and changes

<u>Program Information Section</u>

Request Type:

Select the appropriate Request Type:

- EPD-LTC
- EPD-Medical
- LTC
- OSIPM

- o This is for medical ONLY cases.

Household Type:

Select the appropriate Household (HH) size of 1 or 2:

- ONLY the **OSIPM** request type should have a HH of 2.
- The system will allow you to select a HH of 2 for any of the other Request Types.
- You will get an error if you select a HH of 2 for the EPD-LTC, EPD-Medical or LTC Request Types.
- To fix this error, go to the Case Queue screen to find the case.
- You will see Error display under the Case Status.
- Click the Case Correction pencil to open the Case Correction Screen.
- Make the necessary changes there and Select **Update** to save your changes.

Worker Information

Select your **District** and **Office** (branch) from the drop-down.

Applicant Information

- First Name
- Last Name
- Social Security Number
- Date of Birth
- Application Date:
  - o Use the first of the month in which the date of request was established under the "application date" field on the AVS web portal.

Applicant Address Information:

- Residence Street
- City
- State
- Postal Code

Case Information:

CIN field: This is **not** a mandatory field.

Any case that's submitted from the batch request from Central Office will have the applicant's Prime Number populated into this field.

Case Name:

Enter the applicant's name in this format **only:** LAST, FIRST

Example: MOMOA, JASON

Registry #:

Enter the applicant's **SS#** under this field.

Run Request:

Click this to submit the AVS request.

ADD A SPOUSE TO AD-HOC REQUEST

After you click Run Request for the applicant, a green box will appear at the top indicating that your request was submitted. You can now add a spouse.

Applicant Type:

- Select Spouse

Spouse Information:

- First Name
- Last Name
- Social Security Number
- Date of Birth

Spouse Address Information:

- Residence Street
- City
- State
- Postal Code

Applicant SSN to link:

- This field is mandatory because you MUST enter the applicant's SS# to link this request to the original Ad-hoc request.

Run Request:

- Click this to submit the request and to link the spouse to the applicant's AVS record.
- To return to the AVS Case Queue click on the Home icon in the top right tool bar

AD-HOC REQUEST FOR A LTC APPLICANT WITH SPOUSE

First, submit an Ad-hoc request for the applicant.

Then, add a separate Ad-hoc request for the spouse selecting **Applicant** under Applicant Type.

Under "Applicant SSN to link enter the applicant's SSN. This will NOT link both cases into one but will return both cases when you complete a Search.

Complete a Search using the applicant's or the spouse's SS#

The search results will display two separate cases. To see the details, you will have to click on each case separately.

AD ADDITIONAL BANK(S) FOR VERIFICATION – DIRECTED ACCOUNT SEARCH OPTION

From the AVS Case Queue, select the desired AVS case.

Under the AVS Case, select the Account Information.

Click on "Add Additional Bank(s) for Verification.

The "Search Bank" screen will come up. Fill out the Institution Name, City and Zip Code.

Use the AVS Financial Institutions list for detailed information on Early Warning Network and Institution Information (spelling). You will find this list in APD Staff Tools – Asset Verification Systems (AVS) site.

Select only one branch of the institution from the list. All financial institutions have a centralized processing center.

Click Save.

AVS CASE STRUCTURE

AVS cases are assigned by District and Office (branch).

To filter the Case Queue to a specific branch:

- From the AVS Case Queue click the Filter button on the top right.

- The filter options become available. Because cases are not assigned to staff directly, the only filter options that should be used are District and Office (branch).

- Once you've made this selection click Filter on the bottom. This will display cases assigned to the selected District and Office (branch).

AVS USER ROLES

Case Transfer Support Staff:

- Assigned at the district level. Has access to **transfer** cases statewide.

Eligibility Worker:

- Assigned at the district level. Has access to **work** cases statewide.

Supervisor and Lead:

- Assigned at the district level. Has access to **work** and **transfer** cases statewide. Has access to pull reports.

District Manager (Read Only):

- Assigned at the district level. Has **read** only statewide access. Has access to pull reports.

Sub Admin:

- Assigned at the district level. Primary contact for password resets, new user set-up and existing user changes.

Chief Data Steward:

- Manages access to the system statewide.