



FY 2021
Annual Report

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Program Snapshot

TennCare covers pregnant women, children, parents or caretakers of minor children, older adults, and adults with disabilities.

Nearly 40,000 TennCare members receive Long-Term Services and Supports, with most choosing to receive services in their home and community, rather than an institution.

TennCare operates with an annual budget of approximately \$12.9 billion and current enrollment is approximately 1.5 million Tennesseans.

Agency Overview TennCare

TennCare is the state of Tennessee's Medicaid program that provides health care for approximately 1.5 million Tennesseans and operates with an annual budget of approximately \$12.9 billion. TennCare members are primarily low-income pregnant women, children and individuals who are elderly or have a disability. TennCare covers approximately 20 percent of the state's population, 50 percent of the state's births, and 50 percent of the state's children.

TennCare was established January 1, 1994, and is one of the oldest Medicaid managed care programs in the country. The TennCare program operates under a Section 1115 waiver from the Centers for Medicare and Medicaid Services (CMS) in the United States Department of Health and Human Services. Unlike traditional fee-for-service Medicaid, TennCare is an integrated, full-risk, managed care program. TennCare services are offered through managed care entities. Medical, behavioral and Long-Term Services and Supports are covered by "at-risk" Managed Care Organizations (MCOs).¹

The care provided by TennCare's MCOs is assessed annually by the National Committee for Quality Assurance (NCQA) as part of the state's accreditation process. In addition to the MCOs, there is a Pharmacy Benefits Manager for coverage of prescription drugs and a Dental Benefits Manager for coverage of dental services to children under age 21.

As a leader in managed care and Long-Term Services and Supports (LTSS), the state successfully implemented TennCare CHOICES in 2010 bringing LTSS for older adults and adults with physical disabilities into the managed care model. These services are provided in Nursing Facilities (NFs) as well as by Home and Community-Based Service providers. In 2016, the Employment and Community First CHOICES program launched providing supports for people with intellectual and developmental disabilities targeted to employment and independent community living. MCO accreditation processes include a requirement to maintain LTSS distinction, which designates that the health plan meets evidence-based standards in the coordination of LTSS in areas such as conducting comprehensive assessments, managing care transitions, person-centered planning, and managing critical incidents.

The Department of Finance and Administration is the state agency charged with the responsibility of administering the Division of TennCare. The Division of TennCare includes the CoverKids and CoverRx programs.

¹ Employment and Community First CHOICES HCBS are not capitated; however, managed care organizations are "at risk" for medical and behavioral health services for individuals enrolled in Employment &= and Community First CHOICES.

CoverKids

CoverKids is a program that provides health insurance to low-income, uninsured children and pregnant women in Tennessee who do not qualify for TennCare. CoverKids is jointly funded by the state and federal government and is administered by the Division of TennCare. Under CoverKids, children and pregnant women receive free preventive health care and have low copays for sick visits and medication. Dental and vision benefits are available to children age 18 and younger.

On January 1, 2021, CoverKids moved to a managed care model of service delivery. The implementation of managed care in CoverKids will support improved quality of care, cost effectiveness, and health outcomes. CoverKids members will now be able to choose one of the three health plans to manage their care. The 3 health plans are Amerigroup Community Care, BlueCare Tennessee, and UnitedHealthCare Community Plan. The change helps to ensure families can have the same health plan and receive care from the same providers used by other family members.

CoverRx

CoverRx is a prescription drug program designed to assist those who have no pharmacy coverage but have a need for medication. CoverRx provides participants affordable access to more than 200 generic medications in addition to some name brands of insulin, mental health medications, and naloxone products.

CoverRx is not health insurance and will not cover doctor's visits or hospitalizations. CoverRx has no monthly premiums, just affordable copays. Only individuals, ages 18-64, with incomes at or below 138% of the federal poverty level are eligible for CoverRx benefits.

Our Mission

Improving lives through high-quality, cost-effective care.

Our Vision

A healthier Tennessee.

Organizational **Chart**

Stephen Smith

Deputy Commissioner/ Director

Brooks Daverman

Deputy Director/ Chief Operating Officer

Jessica Hill

Director Strategic Planning & Innovation

Aaron Butler

Director Policy Office

Vacant

Director Communictions

Katy May

Director
Talent Management &
Administration

William Aaron

Chief Operating Officer

Zane Seals

Chief Finance Officer

Hugh Hale

Chief Information Officer

Kim Hagan

Director Member Services

Keith Gaither

Director Managed Care Operations

Patti Killingsworth

Chief of Long-Term Services and Supports

Drew Staniewski

General Counsel

Victor Wu, M.D.

Director Chief Medical Office

Ashley Reed

Director Legislation

TennCare has a 94% member satisfaction rating*

TennCare satisfaction has exceeded 90% for over 10 years

Over 90% of survey members say they initially received care from a doctor's office

^{*}These percentages were reported in the University of Tennessee's Boyd Center for Economic Research annual survey titled "The Impact of TennCare: A Survey of Recipients, 2019"

Program Expenditures

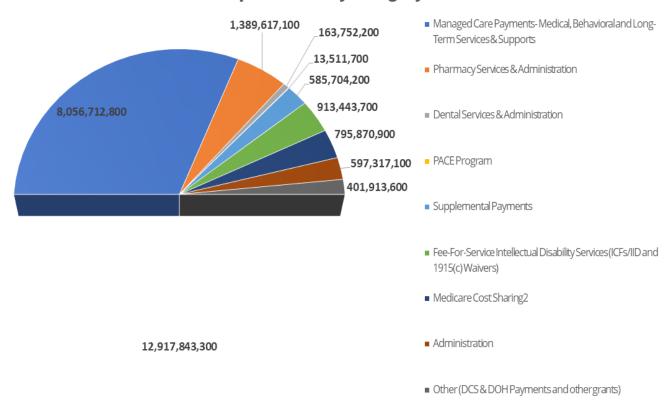
FY21 Expenditures by Category

Managed Care Payments - Medical, Behavioral and Long Term Services & Supports ¹	8,056,712,800
Pharmacy Services & Administration	1,389,617,100
Dental Services & Administration	163,752,200
PACE Program	13,511,700
Supplemental Payments	585,704,200
Fee-For-Service Intellectual Disability Services (ICF/IID and 1915(c) Waivers)	913,443,700
Medicare Cost Sharing ²	795,870,900
Administration	597,317,100
Other (DCS & DOH Payments and other grants)	401,913,600
Total	12,917,843,300

¹This figure is the total of managed care payments which is inclusive of all medical and behavioral health services as well as the long term services and supports for CHOICES and ECF CHOICES members.

²Includes Medicare Part D Clawback.

FY21 Expenditures by Category



Enrollment Eligibility by Race and Age

Enrollment on January 1, 2021

Race	0 to 20	21 to 64	65+	Grand Total
White	422,865	315,333	40,706	778,904
Black	199,008	135,412	14,691	349,111
Other	286,864	122,311	16,250	425,425
Grand Total	908,737	573,056	71,647	1,553,440

Medical Services

Enrollment on January 1, 2021

Providers with	FY21	Expenditures	FY21
Paid Claims	Recipients	Per Recipient	Expenditures¹
10,286	1,244,222	\$3,363.35	\$4,184,751,376

^{&#}x27;Total expenditure includes the total of administration fees paid to contracted MCO's, based on the allocated proprotion of total Medical and Behavioral Health expenditure incurred in SFY21.

Mental Health Clinics and Institutional Services

Enrollment on January 1, 2021

Providers with	FY19	Expenditures	FY19
Paid Claims	Recipients	Per Recipient	Expenditures¹,²
4,045	300,080	\$2,066.10	\$619,994,155

¹Excludes case management services, transportation and other community services where payment to provider was a capitated arrangement.

²Total expenditure includes the total of administration fees paid to contracted MCO's, based on the allocated proportion of total medical and behavioral health expenditure incurred in SFY21.

TennCare Expenditures & Recipients by County

County	Enrollment on 1-Jan-21	% of County on TennCare	Total Service Expenditure¹	Expenditure per Member
ANDERSON	17,621	23%	\$132,785,808	\$7,536
BEDFORD	13,367	26%	\$64,727,817	\$4,842
BENTON	4,261	26%	\$27,923,262	\$6,553
BLEDSOE	3,230	21%	\$17,907,920	\$5,544
BLOUNT	23,273	17%	\$145,511,259	\$6,252
BRADLEY	23,985	22%	\$153,353,266	\$6,394
CAMPBELL	12,788	32%	\$85,091,373	\$6,654
CANNON	3,355	23%	\$17,847,822	\$5,320
CARROLL	7,733	28%	\$52,487,424	\$6,787
CARTER	13,482	24%	\$84,236,559	\$6,248
CHEATHAM	6,970	17%	\$45,686,604	\$6,555
CHESTER	4,100	24%	\$21,340,007	\$5,205
CLAIBORNE	9,407	29%	\$59,715,231	\$6,348
CLAY	2,078	27%	\$13,343,675	\$6,421
COCKE	12,013	33%	\$69,654,046	\$5,798
COFFEE	14,812	26%	\$89,502,167	\$6,043
CROCKETT	3,901	27%	\$24,388,355	\$6,252
CUMBERLAND	13,321	22%	\$80,051,940	\$6,009
DAVIDSON	142,244	20%	\$855,430,379	\$6,014
DECATUR	3,113	27%	\$22,862,927	\$7,344
DEKALB	5,474	27%	\$33,490,080	\$6,118
DICKSON	11,748	21%	\$74,617,994	\$6,352
DYER	11,112	30%	\$59,395,657	\$5,345
FAYETTE	7,147	17%	\$38,156,967	\$5,339
FENTRESS	6,038	33%	\$41,959,485	\$6,949
FRANKLIN	8,498	20%	\$52,463,485	\$6,174
GIBSON	13,465	27%	\$99,429,031	\$7,384
GILES	6,755	23%	\$38,585,530	\$5,712
GRAINGER	6,162	26%	\$35,938,881	\$5,832
GREENE²	16,793	24%	\$160,360,857	\$9,549
GRUNDY	4,537	35%	\$28,426,427	\$6,265
HAMBLEN	17,454	27%	\$107,679,331	\$6,169
HAMILTON	70,143	19%	\$461,917,214	\$6,585
HANCOCK	2,389	37%	\$16,025,653	\$6,708

TennCare Expenditures & Recipients by County

County	Enrollment on 1-Jan-21	% of County on TennCare	Total Service Expenditure¹	Expenditure per Member
HARDEMAN	7,100	28%	\$48,632,843	\$6,850
HARDIN	7,225	28%	\$54,017,620	\$7,476
HAWKINS	14,186	25%	\$87,507,548	\$6,169
HAYWOOD	5,614	33%	\$30,109,543	\$5,363
HENDERSON	7,581	27%	\$44,684,135	\$5,894
HENRY	8,052	25%	\$43,866,912	\$5,448
HICKMAN	6,120	24%	\$34,824,524	\$5,690
HOUSTON	2,167	26%	\$16,591,028	\$7,656
HUMPHREYS	4,781	26%	\$30,963,056	\$6,476
JACKSON	2,955	25%	\$15,420,867	\$5,219
JEFFERSON	13,297	24%	\$93,369,674	\$7,022
JOHNSON	4,713	27%	\$25,216,586	\$5,350
KNOX	83,551	17%	\$546,866,704	\$6,545
LAKE	2,129	29%	\$15,506,713	\$7,284
LAUDERDALE	7,935	31%	\$42,342,103	\$5,336
LAWRENCE	11,424	26%	\$65,521,558	\$5,735
LEWIS	3,242	27%	\$20,313,368	\$6,266
LINCOLN	7,972	23%	\$42,571,729	\$5,340
LOUDON	9,592	17%	\$57,826,638	\$6,029
MACON	7,098	28%	\$35,908,744	\$5,059
MADISON	26,379	27%	\$191,261,952	\$7,251
MARION	7,246	25%	\$42,153,827	\$5,818
MARSHALL	7,226	21%	\$42,182,367	\$5,838
MAURY	20,299	21%	\$124,583,664	\$6,137
MCMINN	13,478	25%	\$83,824,228	\$6,219
MCNAIRY	7,345	28%	\$45,047,880	\$6,133
MEIGS	3,362	27%	\$18,248,725	\$5,428
MONROE	12,115	26%	\$72,046,471	\$5,947
MONTGOMERY	42,830	20%	\$210,404,706	\$4,913
MOORE	926	14%	\$5,799,604	\$6,263
MORGAN	4,707	22%	\$29,275,756	\$6,220
OBION	8,299	28%	\$47,146,107	\$5,681
OVERTON	5,426	24%	\$29,085,964	\$5,360
PERRY	2,042	25%	\$13,153,773	\$6,442

County	Enrollment on 1-Jan-21	% of County on TennCare	Total Service Expenditure¹	Expenditure per Member
PICKETT	1,161	23%	\$7,888,531	\$6,795
POLK	4,138	24%	\$21,616,833	\$5,224
PUTNAM	19,590	24%	\$135,753,561	\$6,930
RHEA	9,467	28%	\$61,456,295	\$6,492
ROANE	12,030	23%	\$85,949,099	\$7,145
ROBERTSON	14,202	19%	\$77,683,514	\$5,470
RUTHERFORD	61,480	18%	\$300,680,231	\$4,891
SCOTT	7,891	36%	\$50,102,631	\$6,349
SEQUATCHIE	4,178	27%	\$24,110,466	\$5,771
SEVIER	21,914	21%	\$112,675,432	\$5,142
SHELBY	266,955	28%	\$1,300,791,121	\$4,873
SMITH	4,570	22%	\$26,733,930	\$5,850
STEWART	3,212	23%	\$18,609,817	\$5,794
SULLIVAN	35,085	22%	\$205,345,929	\$5,853
SUMNER	31,827	16%	\$175,282,022	\$5,507
TIPTON	13,612	22%	\$68,216,944	\$5,012
TROUSDALE	2,137	19%	\$12,904,444	\$6,039
UNICOI	4,244	24%	\$33,587,153	\$7,914
UNION	5,527	28%	\$33,035,587	\$5,977
VAN BUREN	1,439	25%	\$12,364,589	\$8,592
WARREN	11,863	29%	\$70,600,998	\$5,951
WASHINGTON	26,076	20%	\$177,674,927	\$6,814
WAYNE	3,408	21%	\$22,189,300	\$6,511
WEAKLEY	7,729	23%	\$57,469,152	\$7,436
WHITE	7,648	28%	\$44,800,850	\$5,858
WILLIAMSON	14,311	6%	\$77,341,097	\$5,404
WILSON	21,172	14%	\$119,661,007	\$5,652
Other³	22,508		\$64,319,925	\$2,858
Total⁴	1,540,557	22%	\$9,017,416,738	\$5,853

^{1.} Service Expenditures include Medical, Pharmacy, Long-Term Services and Supports, Dental, Behavioral Health Services, MCO administrative costs and Part D payments on behalf of Dual eligible members. Payments on behalf of Dual eligible members for Part D drug coverage totaled \$210,011,000. ASO administration and Part D payments were allocated across counties relative to the county's proportion of total expenditure.

^{2.} Greene County expenditures include costs associated with the East Tennessee Community Homes, causing the per-member cost to appear higher when comparing it with those of the other counties.

^{3.} This category reflects recipients who are Tennessee residents for which their domicile is temporarily located outside of the state.

^{4.} The total service expenditure reflects total amount payment in Edison, 'Cty Rpt Adj' tab D11, the total expenditure based on incurred claims cross counties are proportional in terms of total amount in Edison.

2021 Agency Priorities

Renew 1115 waiver

Managed Care Organization (MCO) procurement

Increase maternal health access

Intellectual & Developmental Disabilities (I/DD) integration

TennCare Connect enhancements

Employee growth and development

TennCare Demonstration Waiver

The TennCare program operates as a Medicaid demonstration project under the authority of an 1115 waiver from the Centers for Medicare and Medicaid Services (CMS). ("1115" refers to the section of the Social Security Act under which the demonstration is authorized.) The terms of the waiver are subject to periodic review and re-approval by CMS and can be amended by mutual agreement between the state and CMS.

Launch of the TennCare III Waiver

On January 8, 2021, CMS approved the newest iteration of the TennCare demonstration, known as "TennCare III". TennCare III continues most of the key components of the existing TennCare program. In addition, under the terms of the TennCare III demonstration, TennCare may access additional federal funds that would not have been available to the state in the absence of the TennCare III waiver. TennCare's ability to access this additional federal funding is contingent on spending less than the amount projected in the federal budget neutrality target applied to the program, as well as maintaining or improving performance on key quality metrics. CMS approved the TennCare III waiver for a period of ten years. During this time, the program's budget neutrality target will be increased annually based on the projected rate of growth in Medicaid spending in the President's budget. The budget neutrality target will also be adjusted for any enrollment changes that are greater than one percentage point in magnitude. Under the terms of the TennCare III waiver, TennCare also received certain new administrative flexibilities from CMS.

Approval of Amendment 40 Launch of the Katie Beckett Program

On November 20, 2020, CMS approved an amendment to the TennCare waiver establishing a new Katie Beckett program for children with disabilities and/or complex medical needs. For more information on the Katie Beckett program, see page 37.

² The original TennCare waiver began operating in 1994. TennCare II refers to the version of the waiver that was in place beginning in 2002, following a series of reforms to the TennCare program.

Amendment 1 of TennCare III Demonstration Integration of Care for Individuals with Intellectual Disabilities

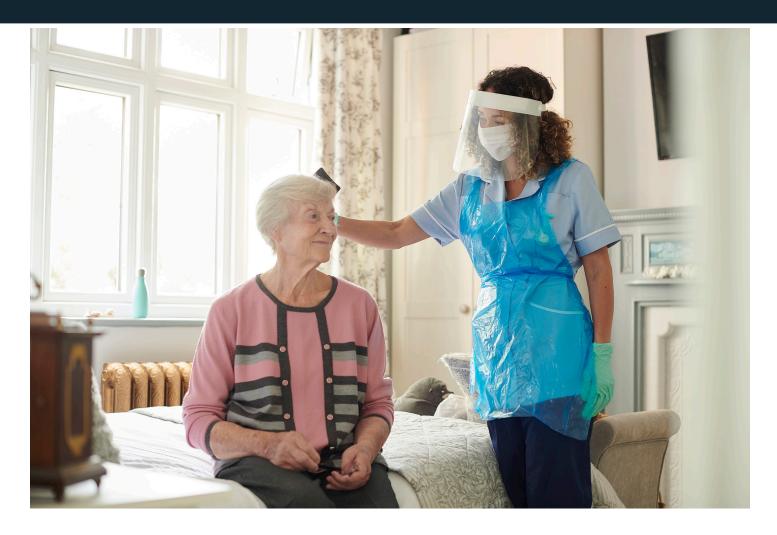
On March 31, 2021, TennCare submitted a proposed amendment to the TennCare III demonstration to CMS. The amendment (known as "Amendment 1") would entail the following modifications to the demonstration:

- Integration of services for members with intellectual disabilities into the TennCare managed care program;³
- Transitioning the care of children receiving Supplemental Security Income (SSI) benefits from the TennCare Select health plan to one of the other health plans that serves TennCare members; and
- Assigning to the TennCare Select health plan certain inmates of public institutions who receive inpatient services in a setting located outside the public institution.

CMS's review of Amendment 1 is currently ongoing.

³ Specific services to be integrated are intermediate care facility services for individuals with intellectual disabilities (ICF/IID services) and 1915(c) waiver home- and community-based services (HCBS).

TennCare COVID Response



On March 12, 2020, Governor Bill Lee declared a state of emergency to help facilitate the state's response to the public health and safety threat posed by coronavirus disease 2019 (or "COVID-19"). On June 19, 2020, CMS approved an amendment to the TennCare demonstration with specified flexibilities related to the COVID-19 public health emergency. As the agency in Tennessee state government responsible for providing health insurance to nearly 1.5 million individuals, the Division of TennCare has continued carrying out a multilayered response to the COVID-19 emergency. Working in tandem with partners and stakeholders at the federal and state levels, TennCare designed and deployed a strategy consisting of such elements as—

- Coordinating with the provider community and TennCare's health plans to ensure access to care for TennCare members in need of testing or treatment for COVID-19;
- Assisting providers in offering covered services to TennCare members via telehealth when medically appropriate;
- Increasing care coordination services for members impacted by COVID-19, including those who are self-isolated, so that they can receive additional supports as needed;
- Pausing nearly all terminations of eligibility for TennCare and CoverKids (the state's separate CHIP program) members during the COVID-19 emergency;
- Waiving copays on services related to COVID-19 for TennCare and CoverKids members;
- Working with TennCare's health plans to streamline or temporarily lift authorization requirements to ensure services are delivered promptly and claims paid quickly;
- Expediting access to home-based care for former nursing facility patients being discharged from hospitals and electing to transition home;
- Enhancing access to prescription drugs by allowing early refills of prescriptions and by allowing 90-day supplies to be prescribed for most medications;
- Obtaining a Section 1135 waiver from CMS that provides flexibilities to help ensure that TennCare members receive necessary services;
- Submitting a Section 1115 waiver application seeking CMS authorization to reimburse hospitals, physicians, and medical labs for providing COVID-19 treatment to uninsured individuals;
- Obtaining federal approval to provide temporary increases in reimbursement, including supplemental retainer payments, to providers of home and communitybased services, as well as additional flexibilities to support these providers during the public health emergency;
- Assisting providers of long-term services and supports in reducing the spread of COVID-19 among individuals who are residents of nursing facilities; and
- Working with the federal government and healthcare providers in Tennessee to provide enhanced financial support for providers disproportionately affected by the COVID-19 emergency, including primary care providers, nursing facilities, dentists, and community mental health centers and other providers of behavioral health services.

The amendment to the TennCare demonstration with specified flexibilities related to the COVID-19 public health emergency is available online at https://www.tn.gov/content/dam/tn/tenncare/documents2/TennCareCOVID19EmergencyAmendment.pdf.

Additional resources concerning TennCare's response to the COVID-19 pandemic are also available on the agency's website at https://www.tn.gov/tenncare/information-about-coronavirus.html.

Program Overview Medical Appeals

TennCare members have the right to file a medical appeal if services have been denied, delayed, reduced, suspended, or terminated. TennCare Member Medical Appeals assists members with their medical appeals working closely with providers and TennCare managed care organizations.

Member Medical Appeals has successfully transitioned to a new tracking system (MATS). This system is now being utilized for all medical appeals.

TennCare sought Request for Qualifications (RFQ) from URAC-accredited Independent Review Organizations for the provision of independent medical necessity reviews, and expert medical opinion testimony related to TennCare member benefit appeals. Member Medical Appeals received seven proposals and awarded a contract to Kepro.

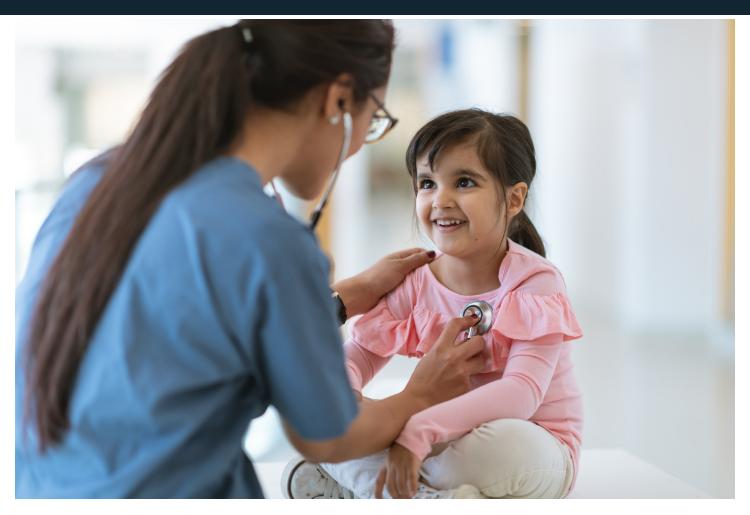
Medical Appeals Resolution Report:

July 1, 2020 - June 30, 2021

TennCare Member Medical Appeals Data	CY 2021
No. of appeal requests received (total) ¹	10,874
 appeal requests received that involve a VFD 	5,749
 appeal requests received that do not involve a VFD 	5,125
No. of appeals resolved (total)	5,592
Level 1: resolved by MCC 'reconsideration'	1,353
Level 2: resolved by agency medical necessity review	456
 Level 3: resolved by fair hearing 	3,783
No. of appeals resolved by fair hearing	4,204
No. of appeals that were withdrawn by the enrollee at or prior to hearing	1,239
No. of appeals that went to hearing and were decided in the Division of TennCare's favor	2,385
No. of appeals that went to hearing and were decided in enrollee's favor	159

Only appeals which comprise a valid factual dispute (VFD) may receive a fair hearing.

Program Overview TennCare Kids



TennCare Kids

TennCare Kids is a full program of checkups and health care services for children from birth through age 20 who have TennCare. These services make sure that babies, children, teens, and young adults receive the health care they need.

In FFY20 (October 2019 – September 2020) the EPSDT Screening Rate was 69%. From October 2019 through September 2020, approximately 769,000 EPSDT screenings were completed for members under age 21.

Health Starts Initiative

The TennCare Health Starts initiative encompasses the agency's efforts across a number of programs that aim to address members' non-medical risk factors such as housing instability, food insecurity, transportation, social support and others. Beginning April 1, 2021, in collaboration with the Managed Care Organizations and fifteen primary care and behavioral health providers, TennCare began targeted provider partnerships to improve the quality of care for TennCare members by systematically addressing non-medical risk factors at the provider level and identifying practical solutions and best practices that can be scaled sustainably. Through these partnerships in 2021, providers engaged in the pilot have screened more than 2,500 members, identified social needs for over 1,000 members, and provided resources for more than 300 members. The Health Starts Initiative will continue to expand to include other evidence-based and innovative approaches that aim to provide clinical support, resources, and technological enhancements to reduce the impact of risk factors.

Health Starts Initiative

TennCare's approach to improving the health of Tennesseans by focusing on the conditions where they live, work, and play.

Health Starts...











before Illness

in our communities

in our homes

in our schools

in our jobs



Program Overview Provider Services



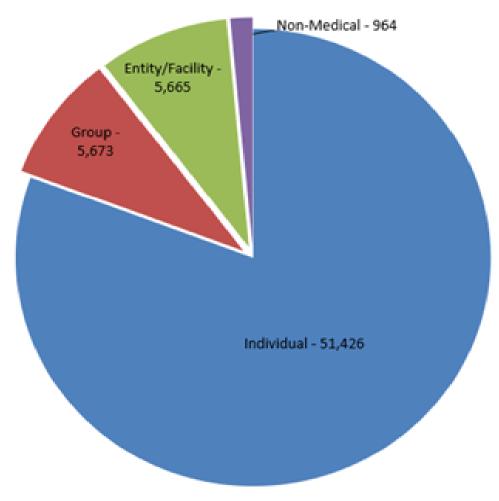
TennCare Provider Services coordinates provider activities including provider registration with the TennCare program. The TennCare Provider Services Division is responsible for three primary functions. First, all providers seeking participation in the Medicaid/TennCare program are required to enroll with TennCare. This process is managed by the provider registration team to ensure compliance with federal regulations at 42 CFR 455.410 and 455.450 requiring that all participating providers are screened according to their categorical risk level, upon initial enrollment and upon re-enrollment or revalidation of enrollment. Once providers are enrolled with TennCare, they are eligible to contract with any of our managed care contractors.

The provider networks team oversees and monitors network access requirements for our managed care contractors.

Provider Count & Statistics

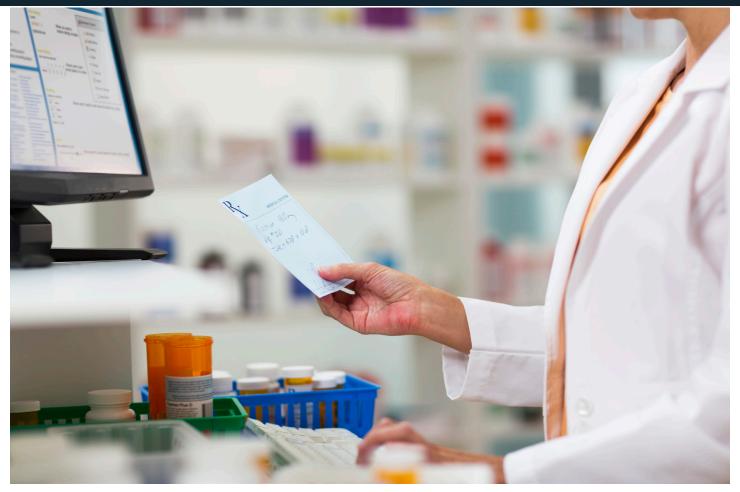
- 16,662 active Tennessee physicians (MD & DO) were registered to participate in TennCare. This represents 93.1% of all active licensed physicians in the state.
- 96.5% of registered TennCare physicians were participating with at least one managed care organization.
- 86.3% of TennCare physicians participating with at least one managed care organization were accepting new patients.

Provider Count Summary - June 30, 2021



TOTAL Providers - 63,728

Program Overview Pharmacy Services



Pharmacy Services

Services delivered through Pharmacy Benefits Manager (PBM)

Enrollment on Jan. 1, 2021

Providers with	FY20	Expenditures	FY20 Expenditures ¹
Paid Claims	Recipients	Per Recipient	
5,947	1,003,644	\$1,384.57	\$1,389,617,100

¹Amount includes administrative costs paid to the PBM.

In FY21, TennCare filled 19 million prescriptions which averages 52,000 prescriptions filled per day.

Pharmacy Benefits Administrator Go-Live and CoverKids Readiness Activities

Effective January 1, 2021, all three of the Division's pharmacy benefit plans — TennCare, CoverRx and CoverKids — were under the administration of Optum Rx., Inc. Optum Rx. launched services for the TennCare and CoverRx programs in January 2020 and began readiness activities for CoverKids in March 2020. The program was fully transitioned as planned on January 1, 2021. During the entire 2021 Fiscal Year, teams continued to spend time improving the administrative efficiency of the three programs and actively mitigating ongoing weather disasters impacting the state and the continuing public health-related crisis.

Change to 340B Billing and Rebate Collection Procedures

Beginning May 1, 2021, TennCare updated the processes for 340B drug claim billing and rebate collections procedures to ensure the state was able to capture all eligible rebate revenue. The 340B Drug Pricing Program and the Medicaid Drug Rebate Program (MDRP) are a partnership between the federal government and drug manufacturers to help offset the cost of outpatient prescription drugs, including physician-administered drugs dispensed to Medicaid enrollees. Medicaid drug rebates ("federal rebates") are shared by state Medicaid programs and the federal government to offset the overall cost of prescription drugs in the Medicaid program. TennCare updated its 340B billing policy to require participating 340B covered entities to use modifiers to identify whether claims are filled with drugs purchased via the 340B Drug Pricing Program. Following changes to TennCare's procedures, the policy will be to submit all rebate eligible drug claims from all participating 340B providers to drug manufacturers for federal MDRP rebates to avoid duplicate discounts and ensure maximum rebate revenue is collected.

TennCare's 340B billing policy can be found here: https://www.tn.gov/content/dam/tn/tenncare/documents2/pro13-002.pdf

Voluntary 90-Day Maintenance Supply

Beginning September 2021, TennCare will cover a 90-day supply of maintenance drug therapy for many widely-used drugs used to treat a large range of chronic medical conditions. The voluntary program gives TennCare members the option of accessing 90-day prescriptions for common illnesses for longer-term therapy to encourage medication regimen adherence and improved health outcomes. Only one co-payment is collected from the recipient and only one dispensing feed is paid to the dispensing provider for the 3-month supply. A list of 90-day supply eligible medications can be found here: 90-Day Supply List (optumrx.com)

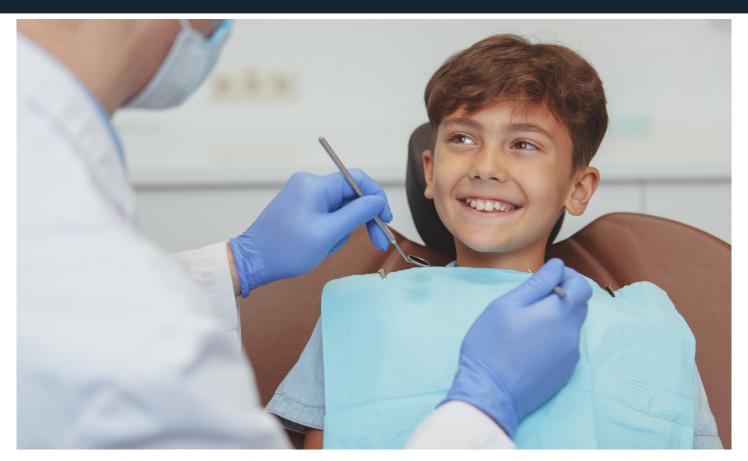


CoverRx

CoverRx

- **Electronic Application:** The OptumRx electronic online application has been operational with only minimal downtime due to technical glitches and allows approval of new applications and renewals to be processed in real-time with eligibility effective within 24 hours of approval.
- Post Go-Live: Commercial rebates were again successfully renegotiated with additional brand products added to the rebate list which further increased the total rebate revenue for the fiscal year. The two onsite meetings of the clinical advisory committee were changed to virtual meetings due to the ongoing pandemic and the work-from-home status of the members.
- **Expansion of CoverRx:** Despite the eligibility expansion from 100% to 138% FPL to match the changes made in 2019 to the enrollment of Behavioral Health Safety Net members and the lowered age of eligibility from 19 to 18, the total number of program utilizers remains consistent month to month.

Program Overview Dental



Dental Services

Providers with	FY21 Recipients	Expenditures	FY21
Paid Claims		Per Recipient	Expenditures¹
1,665	452,521	\$361.87	\$163,752,200

'Amount includes administrative costs but does not include Health Department Dental Program cost of \$4,573,500 which is included on page 1 in the Other (DCS & DOH Payments, Elderly HCBS admin, & other grants) category.

The TennCare Dental Program is responsible for assuring that members have access to high-quality, cost-effective oral health care including preventive, restorative, and surgical care. This care is administered through a contracted Dental Benefits Manager (DBM). TennCare's most important oral health initiative for encouraging provider utilization of minimally invasive procedures and oral disease prevention procedures while increasing patient engagement, is through enhancement of the Patient Centered Dental Home (PDCH) model.

Patient-Centered Dental Home

A PCDH is defined as a place where a child's oral health care is delivered in a comprehensive, continuously accessible, coordinated and family-centered way by a dentist participating in the TennCare program. Provider acceptance and engagement of member assignments is essential to the success of the program for TennCare beneficiaries.

Success is evaluated through reports that track patient engagement, quality of care and provider performance.

The Provider Performance Report (PPR) is an individual confidential report card sent to participating dentists on a quarterly basis that allows them to see how their practice compares with that of their peers and the overall network average in cost, access, and preventive care. Sharing confidential feedback results in continuous quality improvement as providers strive to meet or exceed network benchmarks.

Impact

Through our TennCare DBM contract with DentaQuest, the proportion of children members who received dental treatment in 2019 based on TennCare's dental utilization measure was 57.5%.

A February 2021 <u>study conducted by the Boyd Center for Business and Economic Research at the University of Tennessee, Knoxville</u> revealed in a member satisfaction survey that:

- 99% of members are very or somewhat satisfied with the dental care received in the last twelve months,
- 98% are very or somewhat satisfied with their dental plan,
- 97% are very or somewhat satisfied with their dental benefits,
- And 98% are very or somewhat satisfied with their dentist.
- The most recent DentaQuest provider satisfaction survey reported in March 2021, revealed 90% of providers are very or somewhat satisfied with DentaQuest,
- 99% indicated that they definitely or probably will continue to be a provider for DentaQuest.
- The satisfaction ratings did not differ significantly between general dentistry and specialty providers.

Pharmacy Program Opioid Strategy



As the state's Medicaid system, the Division of TennCare is an essential component of the states' overall opioid strategy. In addition to partnering with multiple state agencies and with the Governor's office, TennCare also has its own opioid strategy and initiatives to combat the crisis focused on primary, secondary, and tertiary prevention of opioid addiction. Primary prevention aims to limit opioid exposure for non-chronic opioid users to prevent the progression to chronic opioid use. Secondary prevention is the early detection and intervention to reduce impact of opioid misuse in those already using opioids. Lastly, tertiary prevention is addiction and recovery support for individuals with opioid dependence and misuse.

TennCare's Opioid Strategy Framework: 2017-2021

Strategic Framework

Primary Prevention

limit opioid exposure to prevent progression to chronic opioid use

Non-Chronic and First Time Users of Opioids

Secondary Prevention

early detection and intervention to reduce impact of opioid misuse

Women of Childbearing Age & Provider Education

Tertiary Prevention

support active recovery for severe opioid dependence and addiction

Chronic Dependent and
Addicted Users

Strategic Framework: Primary Prevention

TennCare contracts with a Pharmacy Benefit Manager (PBM) to administer the TennCare pharmacy benefit. As part of the contract agreement with the PBM and at the direction of TennCare, the PBM implements and operationalizes point-of-sale (POS) edits at the time a prescription is processed at the pharmacy. The process of implementing new POS edits has been iterative over the years to ensure the best outcomes for our members and has focused on opioid prescriptions for many years. TennCare now has a coverage benefit limit in place for opioids.

Strategic Framework: Secondary Prevention

TennCare has partnered with the Managed Care Organizations (MCOs) and the Pharmacy Benefits Manager (PBM) to use data analytics to identify potential clinical risk for women of child bearing age using opioids. This model risk stratifies women into different severity categories which include risk groupings such as:

- · High risk for developing opioid addiction or opioid use disorder
- Oral Contraceptive non-compliance on opioid therapy
- Potential pregnancy with concurrent opioid use
- Previous delivery with diagnosis of Neonatal Abstinence Syndrome (NAS)

This risk stratification then allows the MCOs to provide appropriate forms of member engagement, outreach and possible intervention. Based on the clinical risk, women are connected with prenatal care, early prevention and screening services, access to voluntary long-acting reversible contraception, or primary and mental health care among other outreach activities.

Additionally, TennCare has worked diligently to increase access and decrease barriers to voluntary Long-Acting Reversible Contraception (vLARCs) for women with the goal of reducing infants born with Neonatal Abstinence Syndrome (NAS). In 2016, the MCOs worked effectively with TennCare to make vLARCs more readily available at the time of delivery to increase utilization. All three MCOs agreed to unbundle the reimbursement for vLARCs from the global obstetric billing to facilitate rapid access to all forms of contraception rather than waiting until a follow-up visit to place the vLARC.

In 2021 in partnership with a specialty pharmacy StellarRx, TennCare implemented an inventory management program which allows for a smart dispensing cabinet to stock, process, and dispense a vLARC at the point of care. The cabinet is placed in a provider's office free of charge and ensures a patient's same day access to intrauterine and implantable contraceptive device options.

Strategic Framework: Tertiary Prevention

TennCare's managed care organizations (MCOs) are increasing access to comprehensive medication assisted treatment (MAT) for members with substance abuse disorder (SUD) and opioid use disorder (OUD) through a dedicated MAT provider network, which was officially launched in January 2019. The network of high-quality buprenorphine MAT providers is known as the BESMART program. Behavioral health integration is a necessary component of MAT treatment that providers in the network must have means to provide comprehensive care. By participating in the network, providers receive enhanced resources and support from the MCOs. The network officially launched on January 1, 2019, and there are currently over 250 contracted, high-quality MAT providers that have partnered with at least one of TennCare's three MCOs. Overall, the MCOs have received a positive response from the provider community thus far and are successfully contracting with providers from across the state to provide addiction treatment and recovery services. TennCare will continue to grow this network and support providers in providing high-quality care.

Providers must attest to the BESMART Program Description to be in the program and receive the network's benefits. By participating in the network, providers receive enhanced resources and support from the MCOs. The number of providers in the BESMART network continues to grow, and there are currently 356 contracted providers across all three MCOs. Throughout 2020, 10,273 members received services through the network and this number continues to grow.

BESMART is only for prescribing buprenorphine products. There are separate program descriptions for naltrexone and methadone.

The MCOs determine the providers in their BESMART networks.

As of June 1, 2020, TennCare began covering methadone as a form of MAT and services

provided by Outpatient Treatment Programs (OTPs). To date, there are 18 OTPs in network and the MCOs continue to grow this network of providers. Throughout 2020, over 1,500 members received services through an OTP provider.

TennCare made significant continued investments in the MTM program which included:

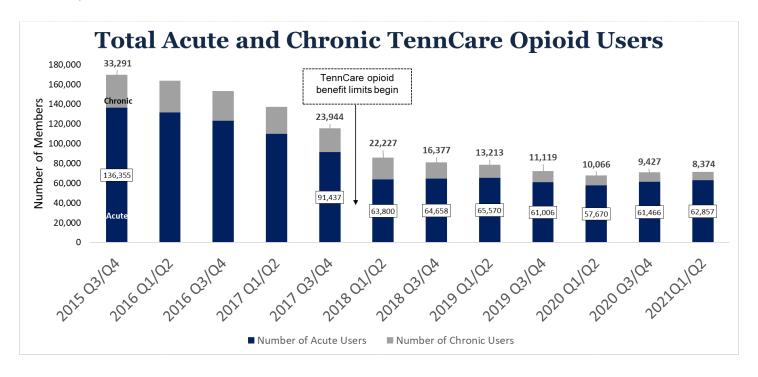
- Continued flexibilities around telehealth MTM services during the pandemic
- Increased outreach and recruitment of MTM pharmacists and MTM providers
- Overall increased utilization of MTM services by eligible members
- Expanded program eligibility with moderate risk category
- Transitioned to a new Care Coordination Tool, a web-based application that allows providers to identify gaps in care and coordinate and track the closure of those gaps

TennCare conducted an MTM-pilot evaluation to help understand the potential impacts of the MTM program. The evaluation revealed promising trends with regards to select clinical outcomes. A decrease in the number of emergency department visits was observed among MTM members, supplemented by an increase in MTM members without any emergency department visits. An improvement in Asthma Medication Ratio and Asthma Medication Adherence was realized among a subset of the MTM population. Likewise, the median proportion of days covered for oral diabetes improved for MTM members with either depression or schizophrenia. Overall, MTM members in higher risk categories saw larger gains from the program. However, the study showed unexpected declines in multiple clinical outcomes, although without statistical significance. Those measures include asthma, oral diabetes, diabetes statin, schizophrenia, and hypertension.

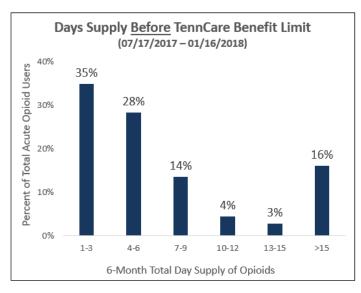
TennCare discontinued the MTM program as a mandatory directed MCO payment program. All three MCOs –Amerigroup, BlueCare, and UnitedHealthcare, have agreed to transition the MTM project from TennCare by January to March 2022. MTM providers may continue to deliver Comprehensive Medication Reviews, Targeted Medication Reviews, and General MTM Encounter services to eligible MTM members. Providers will also retain access to the online Care Coordination Tool supported by TennCare post-transition of program operations to the MCOs.

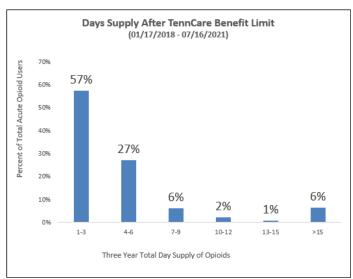
Outcomes & Data

- Overall, the number of TennCare new, acute opioid users has declined by over 60% since 2015. The largest decrease occurred following the implementation of new TennCare opioid benefit limits.
- Initial reductions in prescribing patterns for first time and acute opioid users have been sustained, with 84% receiving 6 days or less of opioids.
- The prevalence of OUD in TennCare decreased from 2.7% to 2.4% from 2019 to 2020.



TennCare Prescription Patterns for Acute Opioid Use





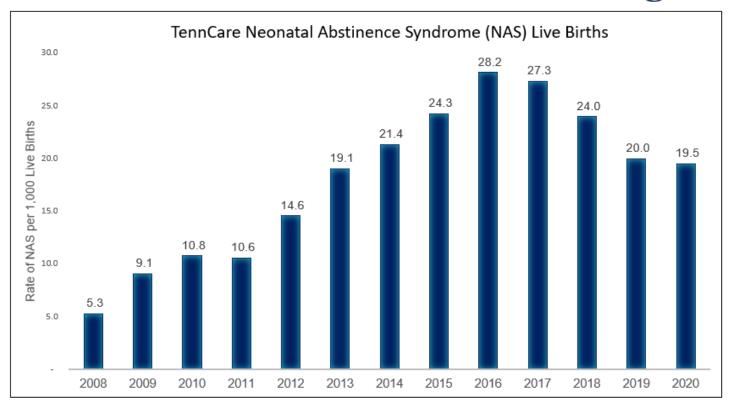
Increasing Coverage of Buprenorphine

2021 Controlled Substance Report

Top 5 Controlled Substances by Claims (Volume)						
Substance Disease Category Claims Expenditures People						
BUPRENORPHINE-NALOXONE	MAT	167,860	\$	7,822,136	13,603	
HYDROCODONE-ACETAMINOPHEN	Pain	121,630	\$	1,592,755	72,913	
VYVANSE	ADHD	111,070	\$	34,798,852	19,262	
OXYCODONE-ACETAMINOPHEN	Pain	63,664	\$	1,092,060	26,603	
DEXTROAMPHETAMINE-AMPHET EF	ADHD	63,073	\$	1,829,518	10,677	

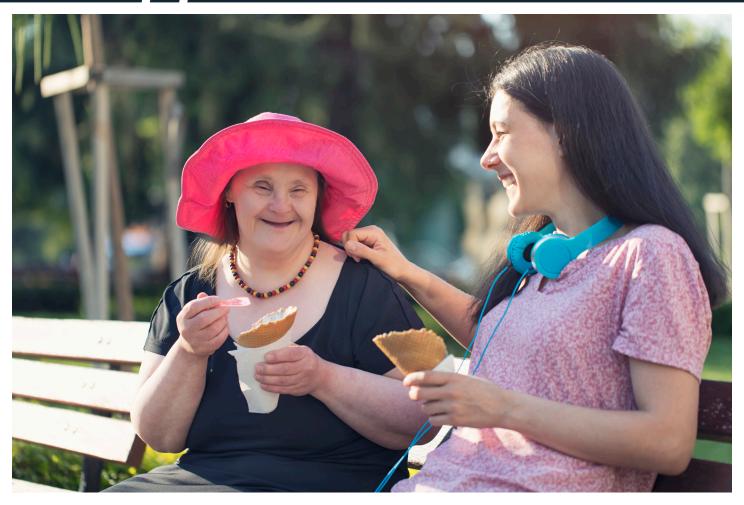
Buprenorphine covered by TennCare is now in the top 5 controlled substances by claims. TennCare paid for more buprenorphine products for opioid use disorder than for short-acting opioids to treat pain through TennCare.

NAS Rates in TennCare are decreasing



Tennessee is the only state to report continuous decreases in rates of neonatal abstinence syndrome (NAS) births over the past four years.

Program Overview Long-Term Services & Supports



TennCare offers a number of different Long-Term Services and Supports (LTSS) programs that provide primarily non-medical assistance with daily living activities to older adults and people with physical, intellectual, or developmental disabilities. Services can be provided in a variety of settings based on the needs and choices of each person. Home and community-based services (HCBS) are delivered in the person's home, workplace, or in other community settings to promote the person's independence, health, well-being, self-determination, employment, and community inclusion.

Medicaid Managed Long-Term Services & Supports Enrollment FY2021

Category of Service	Number of Recipients (6/30/2020)	Number of Recipients (6/30/2021)	% Change
Employment and Community First CHOICES	3,234	3,544	10%
CHOICES Home and Community-Based Services	12,107	12,130	0%
CHOICES Nursing Facility Services	16,368	14,531	-11%

Tennessee's CHOICES in Long-Term Services and Supports program (CHOICES) is a Medicaid Managed Long-Term Services and Supports (MLTSS) program that includes nursing facility (NF) services and home and community-based services (HCBS) for seniors aged 65 and older and adults 21 years of age and older with a physical disability. The most utilized HCBS are personal care visits and attendant care, which offer handson assistance that supports individuals that continue living in their own homes and remain engaged in community life.

Employment and Community First CHOICES is an MLTSS program that provides essential services and supports (physical and behavioral health, pharmacy, and dental services, and HCBS) in a coordinated and cost-effective manner for people of all ages who have an intellectual or developmental disability (I/DD). It is considered a national model in part because it is specifically designed to align incentives around helping people with I/DD achieve employment and live as independently as possible in their communities. The program offers a more cost-effective way of serving people with I/DD while also demonstrating improved employment, health, and quality of life outcomes.

A much smaller managed care component of TennCare's LTSS programs is a single **Program of All-Inclusive Care for the Elderly (PACE)**. The PACE program, operating only in Hamilton County, delivers comprehensive Medicare and Medicaid benefits and social services to frail, community-dwelling elderly individuals, most of whom are dually eligible for Medicare and Medicaid benefits. An interdisciplinary team of health professionals provides PACE participants with comprehensive coordinated health care and social services. For most participants, the services enable them to remain in the community rather than receive care in a nursing home.

In addition to these managed LTSS programs, TennCare also administers three Section 1915(c) HCBS waivers that provide HCBS to eligible individuals with intellectual disabilities: the Statewide Waiver, the Comprehensive Aggregate Cap Waiver, and the Self-Determination Waiver. These waivers are operated by the Department of Intellectual and Developmental Disabilities (DIDD) and offer a broad array of services to individuals with intellectual disabilities who would otherwise require the level of care provided in an Intermediate Care Facility for Individuals with Disabilities (ICF/IID).

Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICFs/IID) are the final type of LTSS offered by TennCare, providing specialized services for individuals with intellectual disabilities or related conditions. While many ICFs/IID are smaller facilities or "homes," embedded within neighborhoods, they are, nonetheless considered under federal law to be medical institutions and must comply with federal standards and certification requirements.

Katie Beckett

On November 23, 2020, TennCare launched a new "Katie Beckett" program. The Katie Beckett program provides services and supports for children under age 18 with disabilities and/or complex medical needs who are not eligible for traditional Medicaid because of their parents' income or assets. The Katie Beckett program is an outgrowth of legislation passed by the Tennessee General Assembly in 2019.

The Katie Beckett program—developed by TennCare in close collaboration with the Tennessee Department of Intellectual and Developmental Disabilities and other stakeholders—contains two primary parts:

Part A – Individuals in this group receive the full TennCare benefits package, as well as essential wraparound home and community-based services. These individuals are subject to monthly premiums determined on a sliding scale based on the member's household income.

Part B – Individuals in this group receive a specified package of essential wraparound services and supports, including premium assistance.

In addition to Parts A and B, the Katie Beckett program provides continued TennCare eligibility for children already enrolled in TennCare, who subsequently lose TennCare eligibility, and who would qualify for enrollment in Part A but for whom no Part A program slot is available.

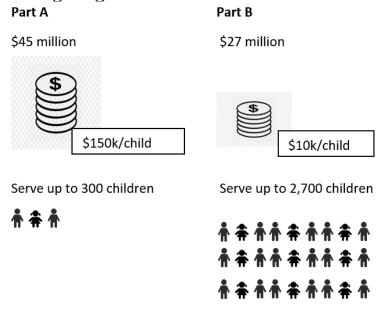
Katie Beckett Program Timeline



Amendment 40 to the TennCare II Demonstration, requesting authority for the Katie Beckett Program, was submitted to the Centers for Medicare and Medicaid Services (CMS) on September 20, 2019. Following more than a year of conversations with CMS, TennCare received CMS approval on November 2, 2020. Once federal approval was received, TennCare and DIDD were able to implement the program quickly (less than a month later on November 23, 2020) because so much planning and preparation had already been completed.

Katie Beckett Program Budget and Costs

Program Funding/Original Fiscal Review Committee Cost Estimate:

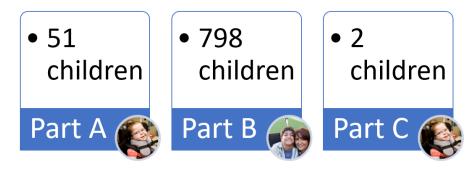


Program funding was based on cost projections of the Fiscal Review Committee as depicted above:

\$45 million to serve up to 300 children in Part A (a projected average of \$150,000 per child) and \$27 million to serve up to 2,700 children in Part B (a projected average of \$10,000 per child).⁴

Program Enrollment

As of June 30, 2021—7 months after implementation, 851 children were enrolled in the Katie Beckett Program, as depicted below:



⁴ The Appropriations Act also included \$4,828,200 for DIDD administrative expenses related to the Katie Beckett program.

Services and Expenditures

Children enrolled in Part A receive full Medicaid benefits as well as a \$15,000 per year home and community-based services (HCBS) capped benefit package. Due to the complex medical needs of most children in Part A, nursing care accounts for more than 70% of medical costs. Other services include durable medical equipment, medical supplies, and occupational, physical and speech therapies.

Children enrolled in Part B receive a home and community-based services (HCBS) benefit package capped at \$10,000 per child per year. Most families seek to maximize the available benefit. By far, the most widely used benefit in Part B is Automated Health Care and Related Expenses Reimbursement. This is a flexible new benefit unique to Katie Beckett Part B that is designed to "mimic" a Flexible Spending Account (FSA) or Health Reimbursement Account (HRA), as defined in federal law, except that contributions to the account are made using state and federal Medicaid funds, rather than pre-tax contributions from an employee's paycheck or employer contributions. Families may then utilize a debit card to pay directly for eligible medical expenses (or have such expenses reimbursed). Assistance with [private insurance] Premium Payments is the second most widely used benefit, followed by Supportive Home Care, Individualized Therapeutic Supports Reimbursement (primarily for non-traditional therapies), Assistive Technology, Adaptive Equipment and Supplies, and Minor Home Modifications.

Program Innovations

Without question, the most important measure of the program's success is the impact it is having on the lives of children enrolled in the program and their families.

Katie Beckett Part A Telehealth Pilot

As part of planning for the implementation of the Katie Beckett Program, TennCare established contractual requirements for a telehealth pilot. For children enrolled in Katie Beckett Part A, telehealth options are utilized to expand access to specialty care in rural areas, reduce travel burdens on children with significant medical needs or disabilities and their families, build capacity of primary (in particular, rural) care providers to serve children with medical or behavioral complexity, improve monitoring and management of unstable or high-risk conditions—with a primary focus on children with complex respiratory care needs, reduce unnecessary emergency department visits or inpatient utilization, and improve care management and coordination.

A special telehealth pilot for children in Katie Beckett Part A with enhanced respiratory care needs offers these children onsite clinical assessment oversight and onsite and remote monitoring, including the opportunity for teleconsultation with a family member or paid caregiver in the home, and/or with the treating physician, as needed. Clinical

experts in respiratory care ensure that the child is using state-of-the-art equipment that supports remote monitoring (when applicable) for purposes of improved clinical management of enhanced respiratory care needs, as well as portable mechanical ventilators to support opportunities for family, school, and community participation, as appropriate. Additional technologies are used to reduce the need for suctioning and risk of infection. The clinical support team responsible for onsite and remote monitoring for the Katie Beckett Part A telehealth pilot is available and engaged to provide onsite training and education for family members and/or paid caregivers, as needed.

Selected members with the most complex respiratory care needs, at high risk of hospitalization, and/ or who are weaning from the ventilator are monitored closely by Eventa, LLC, leading experts in respiratory care. Through close early intervention, Eventa, LLC can detect any changes in respiratory status. The Katie Beckett Program is pioneering this unique monitoring program and is the first to launch such a program in the home environment with the expansive reporting and data analysis being developed. The remote monitoring system is not designed to replace the bedside nurses or family caregivers for the member in emergency situations. The remote monitoring system provides crucial data to the medical providers, inclusive of more data points over additional periods of time.



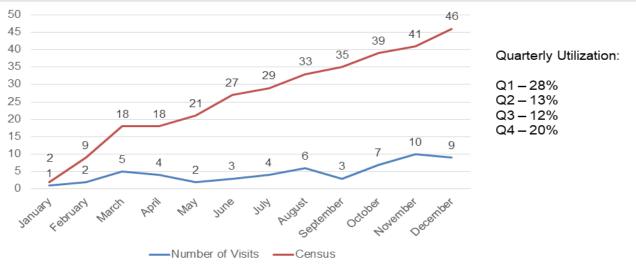
Demonstrated Program Benefits Include:

- Improved physician involvement in care plans
- Assessments with recommendations for more appropriate home devices to assist in successfully supporting the member at home
- Recommendation and implementation of state-of-the-art devices "generally" not covered by insurance and that would otherwise be unavailable
- Early detection and intervention as a result of remote monitoring
- Improved quality of life and member satisfaction with increased clinical support, including access after hours

To date, the pilot has been successful in limiting Emergency Department visits and unplanned hospitalizations, even as the number of children enrolled in the program increased as referenced in the charts on the next page.

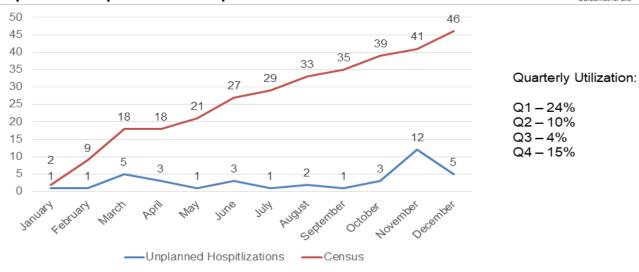






Reported Unplanned Hospitalization with Census





^{*} Reported by Member's Caregiver

Program Overview Delivery System Transformation

TennCare is a national leader in delivery system transformation, with a suite of strategies designed to increase the quality, cost-effectiveness, and patient experience for many areas of health care.

Primary Care Transformation

Patient-Centered Medical Home (PCMH)

Holistic approach towards care coordination for all patients

Tennessee Health Link (THL)

Care coordination focused specifically on highest-need behavioral health patients

Key Principles

- Ensure access to a range of physical and behavioral health related supports aligned with level of need
- Foster joint decision making across health providers
- Instill awareness of interaction of behavioral and physical health needs
- Expected sources of value include appropriateness of care setting, choice of behavioral health care providers, referrals to high value providers, and medical management
- Improved access to patient specific information
- Increased resources and training to support optimal patient care

Patient-Centered Medical Home (PCMH)

The TennCare PCMH program is a comprehensive care delivery model designed to improve the quality of primary care services and the capabilities and practice standards of primary care providers. Under this model, primary care providers provide a holistic approach to manage member's health needs.

- In January 2021, the 5th wave of organizations joined the PCMH program, bringing the program to a total of 79 organizations.
- In 2021, over 90% of the PCMH sites had achieved NCQA PCMH Recognition.

From January to December 2020 Waves 1-4 PCMH organizations received a total of \$29,011,035.20 for activity and transformation payments.

	Wave 1	Wave 2	Wave 3	Wave 4	Wave 5	Total
Number of PCMH Organizations	27	34	14	2	2	79
Number of Sites	183	179	47	26	19	454
Total Number of Members	290,390	264,058	95,871	46,751	35,394	732,464

Outcome Payments

Due to the impact of COVID, PCMH organizations in Waves 1-4 received the better of their outcome payment from either Program Year 2020 or Program Year 2019 in 2021. 69 PCMH organizations received an outcome payment from at least one MCO. Approximately \$25.9 million was paid to these organizations for their performance.

Tennessee Health Link (THL)

Tennessee Health Link launched in December 2016 and aims to coordinate better health care services for TennCare members with the highest behavioral health needs. Recent updates to the program include:

- Impact of COVID-19 On average, providers demonstrated a decrease in performance across quality metrics compared to previous years, reportedly due to a reduction in members being able to seek routine and preventive services during the COVID-19 pandemic. Providers adjusted their treatment models to incorporate telehealth services and reported a decrease in member engagement. Members expressed concerns that interfered with care-seeking behaviors (e.g. not wanting to go to the pharmacy or well-care visits in order to minimize their risk of contracting COVID-19).
- Telehealth TennCare worked with the MCOs to develop interim policies around telehealth and telephonic services as a result of COVID-19. Rural providers consistently noted difficulties with broadband internet, posing a barrier for treatment. Most THL providers have implemented a hybrid model of care-coordination including a combination of face-to-face and telehealth treatment, depending on needs of the member and availability of staff.

- **Decrease in ER visits and hospitalizations** Since the program launched, the majority of THL providers have demonstrated a decrease in members utilizing the ER and inpatient hospitalization for care, suggesting that care coordination may be a driving factor in members utilizing outpatient services rather than inpatient services.
- **Data transparency** TennCare transitioned to the new HealthEC Care Coordination Tool (CCT) in November 2019. Providers have reported that updates to the CCT have made the tool more user-friendly. Key features of the tool include the Admission/Discharge/Transfer (ADT) data and prominent alerts via a dashboard on quality measures and gaps in care.

	PY 2017	PY 2018	PY 2019	PY 2020
Actively Enrolled Members	80,861	65,270	63,587	66,531
Outcome Payments	\$8,120,074	\$11,826,286	\$9,375,785	\$10,492,995

- THL includes 18 providers across all regions of the state.
- All providers received an outcome payment in PY 2020 from at least one MCO.
- Approximately \$10.5 million was paid to THL organizations for 2020 performance.

Episodes of Care

TennCare's Episodes of Care program aims to transform the way specialty and acute healthcare services are delivered by incentivizing high-quality, cost-effective care, promoting evidence-based clinical pathways, encouraging care coordination, and reducing ineffective or in appropriate treatments.

Episodes Impact on Quality of Care

Oppositional Defiant Disorder:

Episodes in which children receive unnecessary medication decreased from 23% to 3% (2015 – 2020)

Breast Biopsy:

Core needle biopsy increased from 78% to 92% (2017 – 2020)

GI Obstruction:

Related follow-up care increased from 33% to 36% (2018 – 2020)





Asthma:

Patient on appropriate medication increased from 60% to 63% (2016 – 2020)*

Asthma:

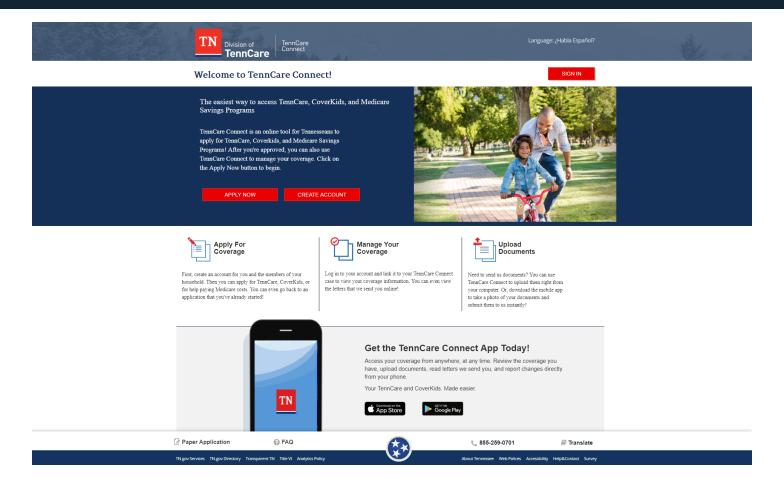
Avoidable hospital admissions decreased from 6% to 2% (2014 – 2020)

Bariatric Surgery:

Follow-up care within the post-trigger windowincreased from 36% to 42% (2016 to 2020)

• Amidst the COVID-19 pandemic, quality has improved or maintained across the majority of episodes. From 2019 to 2020, 67% of quality metrics tied to gain-sharing improved or maintained performance.

TennCare Connect



The Division of TennCare launched its new eligibility determination system, TEDS, and its public facing online portal, called TennCare Connect, in October 2018. This pilot launch replaced outdated technology systems and streamlined inefficient, manual operations to improve the application and appeals process for all TennCare and CoverKids programs. The full statewide launch of TennCare Connect was in March 2019. TennCare verifies data submitted through TennCare Connect using information from the federal data services hub, as well as other state and federal databases such as the Social Security Administration and IRS.



TennCare Connect is the public-facing application self-service website apply for TennCare Tennesseans can or CoverKids. TennCare Connect allows Tennesseans to apply for and manage their TennCare and CoverKids eligibility online. The launch of TennCare Connect also included a mobile application that allows users to download to their smart phone and view notices, make address changes, and upload documents. TennCare Connect is also the call center that offers customer service assistance as well as telephonic application and annual renewal processing for Tennesseans applying for TennCare or CoverKids. **Tennesseans can** visit tenncareconnect.tn.gov or call 855-259-0701 to apply for TennCare or CoverKids.

TennCare Connect offers easier access to a member's eligibility information. It also allows new applicants easier access for submitting an application and submitting requested documents to assist in the eligibility determination process. If an applicant or member does not have access to a computer they can visit their local Department of Human Services office and someone will help you apply for TennCare using a kiosk that is connected to TennCare Connect. If an individual has a disability they can call TennCare Connect and ask for assistance, which may include in-home assistance from their local Area Agency on Aging and Disability (AAAD).

TennCare In Action



JT Davis, a TennCare member in the **Employment and Community First** CHOICES (ECF CHOICES) program, is thriving today with the support of his employer, Direct Support Professional, friends, and family. Growing up around the biker community inspired IT's love for motorcycles from a young age. Today, JT is an active member of the Bikers Who Care charity organization and is learning motorcycle mechanics in addition to working at Appleton's Harley-Davidson store in Clarksville, Tennessee. After JT graduated from high school, his mother encouraged him to look for a job. Applying at Appleton's Harley-Davidson store in his hometown was a no-brainer. Since April 2012, JT has served in a part-time custodial role, working toward his long-term employment goal to become a motorcycle mechanic. JT has a waiting list to complete oil changes for his friends after he masters the service. This may turn into a small business opportunity, for which IT already has a name: Big Daddy's Lift Ups!

"We say 'disabilities.' But they're not. Everybody does have a purpose here," emphasizes Mike, the Direct Support Professional employed with Progressive Directions, Inc., who works with JT. This belief is obvious when looking at all that JT has achieved since becoming a member of Employment and Community First CHOICES. JT used to be described as reserved and soft-spoken, but today he enjoys an active lifestyle and rewarding employment at the local motorcycle shop. He's also more outspoken now and jokes around with his work "family."

What JT enjoys most about working at Harley-Davidson, aside from earning a paycheck, is socializing with his work "family." "JT has never needed a job coach because his Appleton family said, 'we got this," his mother, Margaret Davis explains. At work, JT is fortunate to have incredible natural supports as well as a task list that helps him stay focused and accomplish his daily responsibilities. An average day for JT includes cleaning, sweeping up around the facility, breaking down boxes, and helping with miscellaneous tasks around the shop. JT also has opportunities to try his hand at new tasks. Recently, he assisted with the wrecker service to pick up a motorcycle.

With the help of his Direct Support Professional (DSP), Mike, JT enjoys getting out of the house to shop, go out to eat, go to the movies, and exercise. JT has the world at his fingertips with the support he receives through the Community Integration Support Services benefit offered through Employment and Community First (ECF) CHOICES. When asked how his life has changed because of the ECF program, both he and his mother said in unison, "freedom." "The Community Integration aspect of ECF CHOICES allows him to make his own choices and do things that he truly wants to do. It has opened up his circle of friends as well," Margaret says. "JT has a busier social calendar than I ever will," she chuckles.

"JT is a kind-hearted person and is a breath of fresh air to be around. When JT found out that I also love Japanese movies, such as Godzilla, it forged a strong connection that will last for a lifetime," Mike recalls. Mike, the folks at Watson's Motorcycle shop, and JT's mother all express their delight in JT's personal growth and development, especially highlighting how his social confidence has grown through community integration. JT, who used to have a shy and quiet demeaner in social settings, now "cuts up with the guys," says Ray, who is helping to teach him motorcycle repair at Watson's shop twice a week. "At first, we had him do little tasks, like taking bolts and parts apart. Gradually, JT increased his abilities. He pays close attention and is a quick learner because of his mechanical mind and good memory," Ray asserts.

Aside from his passion for motorcycles, JT has many personal goals in mind for his future. One exciting goal is a trip to Japan that he is currently planning with his DSP, Mike. Before this trip, JT hopes to sign up for and take Japanese language classes at the local community college. "JT has had a pretty eclectic life, so if he wants to do it, we try to make sure it happens," his mother affirms. As JT has proven, if he puts his mind to it, he will surely succeed in any endeavor he sets for himself.

