

Date: December 17, 2021
To: TennCare Managed Care Organizations
Department of Intellectual and Developmental Disabilities
From: Dallas Dowell, Assistant Deputy of LTSS Business Operations
Re: **Correction:** Revised Katie Beckett Comparable Cost of Care Tiers

The purpose of this memo is to establish the **Calendar Year 2022 Comparable Cost of Institutional Care amounts** for persons enrolled in or pending enrollment in **Katie Beckett Part A or in the Continued Eligibility Group Part C**.

These comparable cost of care amounts are effective **beginning January 1, 2022**.

The estimated amount that would be expended by the Medicaid program for the child's care outside an institution cannot be greater than the estimated amount that would otherwise be expended by the Medicaid program for the child's care within an appropriate institution. This is called the "Comparable Cost of Institutional Care Requirement."

The appropriate institution depends on the institutional level of care the child would otherwise qualify to receive. For a child who meets either Tier 1 – Medical Institutional LOC or Tier 1 – Behavioral Institutional LOC, the appropriate institution is based on the level of care the child is at imminent risk of needing if medical assistance is not provided in the child's home.

For Calendar year 2022, the comparable cost of institutional care for Tier 1 – Medical LOC remains unchanged at **\$445,525**.

The average cost of services in a private ICF/IID is used as the base rate to determine the comparable cost of institutional care for a child that meets Tier 1 – Behavioral and Tier 2 levels of care, including all standards 1, 2 and 3. For Tier 1 – Behavioral LOC, the comparable cost of institutional care also accounts for a temporary 90 day stay in a psychiatric institution.

For Calendar Year 2022, the **new** average cost of services in a private ICF/IID is as follows: \$526.02 per day and \$189,367.20 per year. This will be rounded to **\$189,375** per year for the comparable cost of institutional care for Tier 2 levels of care. This is an increase of \$13,650 from calendar year 2021.



MEMO

For Calendar year 2022, the comparable cost of institutional care for Tier 1 – Behavioral LOC is \$193,505.40. This will be rounded to **\$193,525** and is an increase of \$10,250 from calendar year 2021.

The average cost of services in a private ICF/IID is based on a weighted average (by distribution of bed days) of the per diem rates for each ICF/IID facility as determined by the Office of the Comptroller.

As a reminder, the above amounts are applicable only to Katie Beckett Part A and Continued Eligibility Group Part C and not to any other LTSS program or population.

CC: Patti Killingsworth, Chief of LTSS
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