

July 8, 2020

To DIDD and TennCare Partners,

We are writing to you as valued partners, advocates, and stakeholders in the mission to support people with intellectual and developmental disabilities (I/DD) throughout Tennessee. We are excited to share our vision about a tremendous opportunity we have before us — one that will create a single, seamless person-centered system of service delivery for people with I/DD, improve the lives of persons supported, and offer administrative relief to community providers.

**DIDD and TennCare have established a plan to integrate all Medicaid programs and services for individuals with I/DD — including services provided in Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID), the Section 1915(c) home-and community-based services (HCBS) waivers, and Employment and Community First CHOICES<sup>1</sup> into the managed care program, under the direct operational leadership, management, and oversight of DIDD.**

With this alignment also comes an opportunity to build upon the successes we have seen through all the HCBS programs and introduce those services to the entire population. This will allow us to better assure that we provide for a package of supports that meets every person supported right where they are while providing a pathway forward for them to achieve their own desired vision of success.

In addition, by bringing all these programs, populations, and services together under the direct operational leadership, management, and oversight of DIDD, Tennessee can align critical incident management, quality assurance and improvement, direct support workforce training and qualifications, and provider qualifications and enrollment/credentialing processes—reducing administrative burden for providers.

The foundation of the new system will be a value-based reimbursement approach across residential and day services that is specifically designed to support a technology-first and person-centered pathway to independence, community integration and competitive integrated employment for people with intellectual and developmental disabilities. This approach will not only foster independence among persons supported but utilize limited staffing resources and Medicaid dollars more efficiently. In the absence of the funding that had been appropriated to serve people from the waiting list, it provides a pathway (subject to the budget process) to achieving the goal of eliminating the waiting list that will otherwise not be available, at least in the near future.

Finally, by leveraging managed care partnerships the state will yield an estimated \$34 million increase in revenues, which will help fill budget gaps without negatively impacting provider rates or services to people and families that would otherwise be necessary in these challenging times.

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<sup>1</sup> Employment and Community First CHOICES is already part of the managed care program, but not under the direct operational leadership, management and oversight of DIDD.

So how does this impact the current operation of the 1915(c) waivers? TennCare plans to continue the 1915(c) waivers with DIDD as the day-to-day operating agency but will seek concurrent 1115 authority to use a managed care approach. The array of services and supports currently offered will largely still be available, but we will leverage flexibilities such as enabling technology, telehealth, integration, training and consultation, and will focus on supporting people to develop independence and natural supports. Any changes in the 1915(c) waivers will be designed to support the goals of systems transformation and ensure that people are still able to receive the services and supports they need.

To implement this plan, we will be seeking the necessary federal authority through the renewal of the TennCare demonstration waiver from the Centers for Medicare and Medicaid Services (CMS). While the timeline for implementation is uncertain, considering the federal approval process and the necessary IT system upgrades, and other needed changes for integration to occur, our goal is to have full integration by July 1, 2021.

We understand that there are probably many questions about this announcement, and we want to be transparent and available to all stakeholders during this process. DIDD and TennCare are committed to hearing input from the people, families, providers and other stakeholders as we contemplate modifications to the 1115 waiver and to the existing 1915(c) waivers and work to design a single, seamless system for persons with intellectual and developmental disabilities. In the coming weeks we will seek your feedback and input as we draft the details for the TennCare waiver demonstration, which will be the mechanism for seeking federal authority on this initiative.

We hope you will share our excitement about the future of services and supports for people with disabilities. After decades of court oversight, we are now in a position to truly align services and supports based on the values of independence, integration, access and inclusion that we all share. There is a lot of work to be done in a short time, but we are confident that this work will positively shape the futures of people with disabilities.

Sincerely,



Brad Turner  
Commissioner, DIDD



Stephen Smith  
Director, Division of TennCare

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