



STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF TENNCARE
310 Great Circle Road
NASHVILLE, TENNESSEE 37243

February 1, 2018

The Honorable Randy McNally
Lt. Governor and Speaker of the Senate
425 5th Avenue North
Suite 700 Cordell Hull Bldg.
Nashville, TN 37243

The Honorable Beth Harwell
Speaker of the House of Representatives
425 5th Avenue North
Suite 600 Cordell Hull Bldg.
Nashville, TN 37243

Dear Speaker McNally and Speaker Harwell:

Pursuant to TCA 71-5-1402(g), please find below expenditures for nursing facility services and home and community-based services made under the CHOICES program during Fiscal Year 2017, and the updated projected expenditures for Fiscal Year 2018. FY 2017 CHOICES expenditures reflect payments made by MCOs to nursing home and HCBS providers for long-term services and supports. FY 2018 expenditures are projected based on expenditure history to date.

Expenditures	SFY17	SFY18 (projected)
Nursing Home	\$1,014,686,200	\$1,042,588,400
HCBS	\$ 263,835,650	\$271,750,700
Total	\$ 1,278,521,850	\$1,314,339,100

Projected Fiscal Year 2019 expenditures and the percentage of nursing facility services and home and community-based services relative to total expenditures for the CHOICES long-term services and supports program will be provided by June 30, 2018.

Also find below expenditures made under the Employment and Community First CHOICES program during Fiscal Year 2017, and the updated projected expenditures for Fiscal Year 2018. Please note that payments for claims include only those payments made in FY 2017, and do not include payments for claims for services provided in FY 2017 but not paid until FY 2018. Also note that for both years, this represents a partial year of expenditures in light of the continued rollout of the new program and ramp-up to full enrollment as provided in each budget year. The base budget contemplates the level of funding that will be needed to provide these services on a continuous basis going forward. We are currently evaluating the capacity to open up additional slots, based on these projections, while being mindful to ensure that we do not exceed budgeted expenditures.

<u>Expenditures</u>	SFY17	SFY18 (projected)
	\$22,688,500	\$72,566,050

Projected Fiscal Year 2019 expenditures for home and community-based services provided under the new program will also be provided by June 30, 2018.

Sincerely,



Dr. Wendy J. Long, M.D.
Deputy Commissioner and Director

CC: Honorable Members of the General Assembly